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An Evaluation of the Feasibility of a Substate Area Extended Benefit Program: Final Report

Unemployment Insurance
Occasional Paper 89-5

U.S. Department of Labor
Employment and Training Administration

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U.S. Department of Labor
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AN EVALUATION OF THE FEASIBILITY OF A SUBSTATE AREA EXTENDED BENEFIT PROGRAM

FINAL REPORT

July 31, 1989

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As part of the project we conducted telephone interviews with the 53 jurisdictions participating in the UI program (the 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands), and visited one state--Ohio. The conversations with state UI staff were quite useful in helping us understand the current and potential production of UI and labor market statistics for substate areas, and the issues that would arise in implementing and administering a substate EB program. While it is not possible to thank each of the individuals with whom we spoke, Jim Hemmerly of the Ohio Bureau of Employment Services deserves special thanks for arranging our visit to his state.

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EXECUTIVE SUMMARY

The purpose of this report is to assess the feasibility of developing and operating a program of extended Unemployment Insurance (UI) benefits at the substate level. Chapter I provides an overview of the current Extended Benefits (EB) program, under which claimants who have exhausted their regular UI benefits may become eligible to increase their benefit duration by fifty percent if the state's insured unemployment rate (IUR) reaches a specified threshold level. A substate program would alter the operative geography for the calculation of the trigger and the distribution of benefits.

Chapter II outlines the leading policy questions and summarizes the findings that are detailed in the remainder of the report. We conclude that while there do appear to be gains in targeting that can be achieved by focusing the EB program on local labor markets, for the substate program designs examined in this study, these gains are most substantial during non-recessionary periods and cannot be secured without incurring significant implementation and operational costs.

Chapter III presents the findings from our analysis of the potential improvement in targeting that might be achieved with a substate program. The analysis is divided into two parts, one based on annual average county-level data for the entire nation, and the other based on more detailed, monthly UI data from two states, Florida and Missouri.

The first part of the analysis examined the differentiation in labor market conditions among substate areas and drew conclusions about the implications for substate triggering:

- **Only when the thresholds for triggering on the program are set at high levels does substate triggering begin to produce greater eligibility than statewide triggering.** With a total unemployment rate (TUR) trigger we observed small differences in eligibility when the threshold was set below 9.0 percent.

- A substate trigger could target benefits to areas with weak labor markets much more efficiently than a statewide program during non-recessionary years, but the potential improvement during recessionary years appears to be small.
- A substate trigger based on established metropolitan area designations and regional groupings of the remaining counties would provide nearly the same targeting efficiency as a trigger based on individual counties.

The second part of the analysis involved the use of a simulation model to evaluate the targeting efficiency of alternative substate program design options. The analysis demonstrated that the choices of trigger indicator, threshold level, and geographic disaggregation have important consequences for the number and characteristics of EB recipients under various types of substate programs. The principal findings were as follows:

- Substate programs produce many more changes in the status of the EB program (whether it is triggered "on" or "off") than do statewide programs. As a result, administrative costs are higher under substate options.
- At least a moderate level of disaggregation may be required to provide much improvement in targeting of EB benefits as a result of adopting a substate option. In our simulations for Florida, using six broad substate areas offered few targeting advantages over a statewide program. But further disaggregation to 20 metropolitan areas (together with a balance of state area) did yield improved targeting of benefits toward weak labor markets.
- With finer geographic disaggregation, substate EB programs tend to concentrate fewer of their benefit payments in recessionary years. For this reason, total first payments are greater under disaggregated substate programs than they are under statewide triggering. Increases in caseloads were estimated to be greater under substate options that used UI-based trigger indicators such as the IUR than under options that used the TUR.
- The performance of a substate program can be affected by the pattern of a recession. Long, relatively shallow recessions are

likely to generate larger numbers of EB payments under a substate option than are short, steep recessions.

In Chapter IV we review the major issues and options relating to the choice of an appropriate trigger indicator, the definition of substate areas, and the construction of substate triggers within the constraints imposed by current data collection systems. We assess the implications for the attainment of targeting gains on the order of those described in Chapter III. We conclude that:

- There is a significant gap between what the current EB trigger measures and what a theoretically appropriate trigger would have to measure to maximize the efficiency of EB targeting. In principle, better targeting could be achieved with the current statewide program by closing this gap--i.e., improving the state trigger. Substate triggering is not the only recourse. However, existing labor market data, whether state or substate, offer fairly limited potential for improvement.

- Aggregating counties into Metropolitan Statistical Areas (MSAs) and some form of nonmetropolitan areas is necessary to approximate labor markets, control the administrative demands, and minimize volatility in the trigger values. At present, there are no established nonmetropolitan area designations that meet these criteria. Before a substate program could be operated, a suitable nonmetropolitan area classification would have to be established, perhaps building on Bureau of Economic Analysis economic areas.

- The commuting data required to assign place-of-work employment and place-of-residence unemployment statistics to the same geographic basis do not exist below the state level. The statistical adjustments used to prepare monthly substate unemployment rates by place-of-residence are of unknown reliability. Consequently, some loss of potential targeting gains is likely in areas with substantial net commuting.

- A strategy for dealing with labor markets that cross state lines must be included in any substate program design. Some loss of potential targeting gains appears unavoidable regardless of how this matter is resolved because of the measurement error induced by commuting patterns.

- Because of the need to rely on monthly data and the longer data preparation time, a substate program will respond less rapidly to changing economic conditions than does the current state program; we estimate the additional lag to be six to eight weeks.

Chapter V examines the feasibility of implementing and administering a substate EB program. To support this analysis we conducted a survey of UI officials in the 53 jurisdictions of the UI program and carried out extensive in-person discussions with state and local UI officials in Ohio. States differ in the administrative procedures that they use to operate the current EB program, so the changes that would be required to implement and operate a substate program will vary as well. Overall, however, it appears that implementing and administering a substate program might pose a number of difficult and costly problems.

The potential impact on key EB program administrative functions includes the following:

- Production of a substate trigger would entail minimal additional effort if the trigger were defined as the monthly LAUS estimate of the TUR, but it could require significant increase in data collection and processing if an alternative trigger were adopted.
- Identification and notification of potential claimants who met the geographic requirements would become more burdensome the greater the complexity of eligibility determination and the more frequently the program triggered on and off.
- Determination of each claimant's eligibility would be made more difficult by the need to verify residence or former place of work (or both) at the substate level.
- Processing of interstate claims would be made more complex by the need to identify and determine the EB status of the substate area in which the claimant lived or worked.

Survey respondents expressed concern about the potential for increased fraud and error in the eligibility determination process, the possibility of claimants misrepresenting their place of residence in order to qualify for benefits, and the potential for increased complaints, ineligible filers, appeals, and public relations problems for the entire UI system should the differential treatment of neighboring areas produce perceptions of inequity.

Before a substate EB program could begin operation, a number of implementation activities would have to occur, including: (1) revisions to existing forms and, possibly, the preparation of new forms; (2) establishment and documentation of new procedures for program operations; (3) training of the staff; (4) expansion of data storage; (5) modification of existing computer programs and creation of new programs; (6) modification of the accounting and benefit payment systems; and (7) education of employers and the general public about the program. The lead time required to make these changes in Ohio was estimated at one year, assuming that additional staff could be hired and other UI activities postponed.

We estimate that the operation of a substate program with a monthly, LAUS-based TUR trigger, substate areas defined as MSAs and balance of state areas, and eligibility by place of residence would have added about $141.6 million (in FY 1990 program dollars) to the cost of administering the EB program over the six year period from 1981 to 1986. The implementation costs that would be incurred before any benefits could be paid are substantial. We estimate these implementation costs at $203.4 million, or $23.9 million annually if amortized over a 20 year period. Based on these estimates, the "price" for each additional EB first payment under a substate EB program during the 1981-86 period (i.e., the price for the improvement in benefit targeting under the substate program) would be about $380 in added administrative and implementation costs.

I. INTRODUCTION

Since its inception, the Unemployment Insurance (UI) program has included as a feature the designation of a limited duration of benefits. Currently all UI jurisdictions (the 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands, all of which are referred to as "states" under the UI program and in the remainder of this report) specify a maximum potential duration of about 26 weeks.[1] The idea that benefit duration should be increased when economic activity slows down was incorporated into the UI laws in 1970, when Congress passed the Extended Unemployment Compensation Act. The Extended Benefits (EB) program established by this Act provides additional weeks of benefits to qualifying individuals who have exhausted their regular UI claims. This extension of benefit duration is turned on or off by labor market conditions at the state level, as specified in the Act and its amendments.[2]

The purpose of this report is to assess the feasibility of developing and operating a program of extended UI benefits at the substate level. In principle, extended benefits might be more effectively targeted toward workers who are experiencing severe difficulties in finding new jobs if the program could be initiated on the basis of local labor market conditions. The extent to which this improved targeting could be achieved in practice is an open question, however. Furthermore, a substate EB program might involve such considerable administrative complexity that the costs would outweigh whatever targeting advantages the program could provide. In this report we attempt to evaluate these tradeoffs.

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[1] Two states (Massachusetts and Washington) offer a maximum potential duration of 30 weeks, and one (Puerto Rico) offers 20 weeks maximum (USDOL, ETA, 1989a). In 44 states a claimant's maximum potential duration varies with his or her base period wages.

[2] Originally the EB program also incorporated a "national trigger" under which extended benefits were payable in all states when a national measure of unemployment exceeded a specified level.

Section A of this chapter provides a brief overview of the current EB program and introduces some basic concepts that are used throughout the report. Section B then describes the purpose and overall design of the study, and Section C outlines the remainder of the report.

A. OVERVIEW OF THE CURRENT EB PROGRAM

Under the current EB program, claimants in states with weak labor market who exhaust their regular UI benefits can receive benefits for an extended period of time, increasing their benefit entitlement by fifty percent, up to a maximum of 39 weeks. A state becomes eligible to offer extended benefits if the state's EB trigger--the insured unemployment rate (IUR) for a 13-week period[3]--either: (1) equals or exceeds 5 percent and is at least 120 percent of the average IUR for the corresponding weeks in the preceding two years, or, at the state's option, (2) equals or exceeds 6 percent, regardless of the IUR in previous years.[4] The IUR is calculated each week and evaluated against the trigger thresholds. Once the state has triggered on, the EB period--the period in which the state is eligible to offer extended benefits--must last at least 13 weeks.

After 13 weeks a state's EB period is extended on a weekly basis for as long as the trigger value remains at or above the applicable thresholds. A state's EB status will be terminated once the trigger drops below 5 percent or fails to satisfy the 120 percent criterion. If the state has elected the 6 percent option, its EB status will be terminated once the trigger value falls below 6 percent and fails to meet the 120 percent criterion (with a minimum 5 percent IUR). Once a state has triggered off of EB, it must remain in that status for at least 13 weeks.

---

[3] The state's IUR is calculated as the average of the number of continued weeks claimed for the current week and the preceding 12 weeks divided by average monthly covered employment for the first four of the last six complete calendar quarters (USDOL, ETA, 1989b, Part III, Chapter 1000).

[4] The latter option has been implemented in all but 13 states.

The current thresholds were established by the Omnibus Budget Reconciliation Act (OBRA) of 1981, which raised the basic threshold from 4 percent to 5 percent and the optional threshold from 5 percent to 6 percent. The OBRA of 1981 also eliminated the national trigger and removed EB claimants from the count of insured unemployed used in the numerator of the trigger.

The EB status of each state and the District of Columbia is shown in Table I.1 by quarter for the years 1980 through 1986. As may be clearly discerned in the table, the OBRA of 1981, along with general economic improvement and other factors, removed all but a handful of states from EB status in 1981. The recession of 1982-83 returned many states to EB status, but during the subsequent period of recovery only four states triggered onto EB at any point. More recently, only a single state, Alaska, has experienced an EB period since 1987.

The infrequent availability of EB since 1983 despite the high levels of unemployment that can be observed in some substate areas has led to a number of legislative proposals to establish a substate EB program (including provisions in 11 bills introduced in Congress since 1985). The possibility that EB might be more effectively targeted if the program were triggered on by local labor market conditions is intuitively appealing. Since claimants usually search for work only within the local labor market, conditions within these markets may provide the best indication of when unemployment spells are becoming increasingly lengthy and, therefore, when extended benefits are required. Such local targeting would also mitigate the "windfall" effects that occur when EB is triggered on at the state level even though some of the local labor markets may be quite strong.

TABLE 1.1

STATE EB STATUS BY CALENDAR QUARTER, 1980-1986

	Year																											
State	80				81				82				83				84				85				86			
Alabama		*	-	-	-	-	-		*	-	-	-	-	-	-													
Alaska	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		*	-	-		*	-	-		*	-	-	-
Arizona			*	-	-				*	-	-	-																
Arkansas		*	-	-	-	-			*	-		*	-															
California		*	-	-	-				*	-	-	-	-	-														
Colorado			*	-	-																							
Connecticut		*	-	-	-																							
Delaware			*	-	-	-				*	-																	
D.C.			*	-	-																							
Florida			*	-	-																							
Georgia			*	-	-																							
Hawaii			*	-	-																							
Idaho	*	-	-	-	-	-	-	-	-	-	-	-	-	-			*	-			*	-			*	-		
Illinois		*	-	-	-	-	-		*	-	-	-	-	-														
Indiana	*	-	-	-	-	-			*	-	-		*	-														
Iowa			*	-	-				*	-	-		*	-														
Kansas			*	-	-						*	-																
Kentucky		*	-	-	-	-	-			*	-	-	-															
Louisiana			*	-	-						*	-	-	-	-	-										*	-	-
Maine	*	-	-		-	-			*	-				*														
Maryland			*	-	-				*	-	-																	
Massachusetts			*	-	-				*	-																		
Michigan	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
Minnesota			*	-	-				*	-	-		*	-														
Mississippi			*	-	-	-	-		*	-	-	-	-	-	-													
Missouri		*	-	-	-	-	-		*	-																		
Montana		*	-	-	-					*	-	-	-	-														
Nebraska			*	-	-																							
Nevada			*	-	-	-	-		*	-	-	-	-	-														
New Hampshire			*	-	-																							
New Jersey	-	-	-	-	-	-	-		*	-																		
New Mexico			*	-	-						*	-																
New York			*	-	-																							
North Carolina			*	-	-				*	-	-	-	-	-														
North Dakota			*	-	-								*	-														
Ohio	*	-	-	-	-	-			*	-	-	-	-	-														
Oklahoma			*	-	-																							
Oregon	*	-	-	-	-	-	-	-	-	-	-	-	-	-														
Pennsylvania	*	-	-	-	-	-			*	-	-	-	-	-	-													
Rhode Island	-	-	-	-	-	-	-		*	-	-	-	-	-														
South Carolina			*	-	-	-			*	-	-	-	-															
South Dakota			*	-	-																							
Tennessee			*	-	-	-	-		*	-	-																	
Texas			*	-	-																							
Utah			*	-	-				*	-	-	-	-	-														
Vermont			*	-	-	-			*	-	-		*	-														
Virginia			*	-	-																							
Washington		*	-	-	-	-	-	-	-	-	-	-	-	-														
West Virginia		*	-	-	-	-	-			*	-	-	-	-	-	-	-	-			*	-						
Wisconsin	*	-	-	-	-	-	-		*	-	-	-	-	-														
Wyoming			*	-	-						*	-	-	-														

NOTE: An asterisk indicates the start of an EB period during that quarter, a dash indicates continuation of EB status.

Despite this interest, efforts to design a substate program have been hampered by concerns about the availability and accuracy of data suitable to support substate triggers, and the expected costs of implementing and administering what would likely be a complicated program. Any proposal to make use of substate area triggers in extending the duration of unemployment insurance confronts a number of complex issues in program design and administration (e.g., the choice of substate areas, the specifications and use of substate triggers, the determination of benefit eligibility, and the interaction of the substate program with the existing UI programs). How these issues are resolved has implications both for the administrative feasibility of the program and the potential effectiveness with which program benefits would be targeted to persons most in need.

B. DESIGN OF THE STUDY

Whether the targeting of extended UI benefits can be improved significantly without making a prohibitive investment to substantially upgrade the quality of substate labor market data and without implementing costly changes in program administrative practices and procedures is the general issue addressed by this study. More specifically, the study focuses on the following questions:

- To what degree could a substate program improve the targeting of extended benefits--that is, focus more of the benefits on the weakest labor markets?
- Are existing indicators of substate labor market activity sufficiently reliable (in statistical, political, and legal terms) and available to be used for trigger purposes?
- How difficult and costly would it be to implement and administer a substate program?

The tradeoffs between the potential improvements in targeting and the various costs that would be incurred in achieving these gains were assessed in developing the conclusions of this study.

Because there has been no direct experience with a substate EB program, and because only a very limited national compilation of substate labor market data exists, we found it necessary to draw on a variety of data sources and to employ a number of analytical methods in conducting this study. To develop a detailed picture of the availability of substate labor market data and to explore the many administrative issues associated with a substate program, we conducted a survey of UI administrators in each UI jurisdiction and conducted in-depth discussions with state and local officials in Ohio. To construct estimates of prospective costs we obtained additional information on both unit and aggregate costs of the current UI program and the Local Area Unemployment Statistics (LAUS) program from the Employment and Training Administration (ETA) and the Bureau of Labor Statistics (BLS). We made extensive use of simulation techniques to examine the issues related to benefit targeting and substate program design. Finally, to support these analyses we obtained county-level labor market statistics for all states from the LAUS program and the 1980 Census of Population, and we collected detailed historical labor market data from the States of Florida and Missouri.

C. ORGANIZATION OF THE REPORT

Chapter II provides both an overview of the policy issues raised by a substate EB program and a summary of our principal findings. Each of the three remaining chapters addresses one of the questions raised in the preceding section. Chapter III presents the results of our empirical analyses of the potential improvement in targeting that could be achieved with a substate EB program. Chapter IV examines questions relating to the definition of a suitable trigger indicator, the designation of substate areas, and the ability of current data collection efforts to produce reliable estimates of particular trigger indicators. Chapter V discusses the feasibility of implementing and administering a substate EB program within the constraints identified in Chapters III and IV. The chapter includes an assessment of the expenditure requirements and other costs that would be associated with a substate program. The several appendices include detailed results for some of the analyses reported in the main text of the report. The appendices also include a reproduction of the state survey instrument, together with summaries of responses received to the closed-ended questions which occupied most of the interview.

II. OVERVIEW OF POLICY ISSUES AND SUMMARY OF FINDINGS

The notion that the duration of unemployment benefits should be increased during periods of labor market weakness is a well-accepted component of U.S. labor policy. It is based on the belief that the longer unemployment spells experienced by workers during such periods arise from conditions that are no fault of their own and that an appropriate policy response is to provide increased insurance protection. Such a response became a permanent component of the UI laws with the passage of the Extended Unemployment Compensation Act of 1970, which provided for the payment of up to 13 additional weeks of benefits in states which exhibited high levels of unemployment as measured by their IUR. Since 1970 several additional programs have been implemented on a temporary, emergency basis to pay extended benefits in addition to those provided by EB. These temporary programs have also been operated on a statewide basis.

In this report we examine whether such extended benefits programs might operate more effectively on a substate level. Specifically, we determine whether operation on a substate basis could permit more accurate targeting of extended benefits to weak labor market areas and whether this targeting advantage could be attained without incurring an unacceptable degree of administrative complexity and cost. This chapter reviews the leading policy questions and summarizes the findings that are described in greater detail in the remainder of the report.

A. POLICY BACKGROUND

Interest in a substate extended benefits program arises in large part out of dissatisfaction with the recent operation of the permanent EB program and with the emergency programs of the 1970s and 1980s. Because all of these programs have been operated on a statewide basis, they may not have been appropriate for states with important intrastate variations in labor market conditions. Workers from high unemployment areas in states with otherwise fairly healthy labor markets may not have received the UI assistance they needed, especially during non-recessionary periods. On the other hand, reliance on statewide programs may have resulted in the payment of extended benefits in areas where workers were having little trouble finding work and may therefore have had undesirable incentive effects.

These concerns have been exacerbated by problems encountered in defining and calibrating the trigger used for extended benefits programs. Because the IUR trigger is based on UI claims in a state, it confounds labor market strength with the relative extensiveness of a state's regular UI program. There is the concern that insured workers facing equally poor labor market opportunities are treated differentially depending on their state of residence. Declines in UI claims (and in the IURs based on them) since 1980 have raised further concerns about whether an effective extended benefits policy can continue to be implemented using the IUR as the trigger.

Proposals to amend the EB program have tended to take two different routes. Relatively modest reforms have focused on changes in the EB trigger rates to compensate for recent declines in UI claims or on the adoption of alternative trigger indicators (such as the total unemployment rate) that avoid the difficulties associated with the IUR. Other suggested amendments have focused on a substate program option. Not only do these proposals hope to achieve better targeting of extended benefits to weak labor markets, many of them also seek to address the problem of trigger indicators by specifying the use of rates other than the IUR or by offering jurisdictions a choice as to the rate to be used.

A fundamental policy question that is too rarely acknowledged in these proposals is whether extended benefits should be viewed primarily as anti-recessionary in purpose or whether they should also provide insurance against structural unemployment. Much of the policy interest in extended benefits derives from the belief that recessions are a nationwide economic phenomenon and should therefore be addressed by the federal government. Funding of the EB program with a 50 percent federal share, together with the complete federal funding of two major emergency programs (FSB and FSC), tends to reflect the belief that extended benefits provide an important counter-cyclical tool. In this view, administration of extended benefits programs by the states is for operational convenience and should not obscure the national nature of the programs.

On a conceptual level, the principal objection to a substate extended benefits program lies in the belief that substate triggering would cause the EB program to depart too much from its historical anti-recessionary focus. Indeed, as we will show, a much larger share of benefits are paid out during non-recessionary periods under a substate program than under a statewide program, especially if the substate program is based on relatively small areas. Besides obscuring the counter-cyclical aspects of extended benefits policy, such an outcome can also have the undesirable side effect of providing incentives to workers to remain in areas of high unemployment when jobs may be available elsewhere.

Even more significant concerns have been raised about the administrative feasibility and costs associated with the operation of a substate program. These concerns have both technical and political dimensions. Technical problems in the design of a substate program involve such questions as how substate areas are to be defined, whether the available data permit the construction of reliable trigger indicators for these areas, and whether the levels of programmatic activity and on/off volatility under a substate program would raise administrative costs significantly. Political concerns focus on the acceptability of an extended benefits program that greatly increases the likelihood that similarly situated individuals would be treated differently (e.g., if eligibility determination was based on place of residence, workers laid off from the same plant and residing in different areas would not necessarily be treated equally in terms of their ability to collect extended benefits), and on whether the program would offer significant opportunities for ad hoc political intervention in the definitions of substate areas or in the manipulation of the data underlying the trigger indicators. If either the administrative or political problems involved in operating a substate program proved to be severe, this could seriously erode the strong support that extended benefits policy has enjoyed for many years.

To assess the prospective benefits, administrative requirements, and prospective costs of a substate program we examine three sets of issues:

- To what degree can a substate program improve the targeting of extended benefits? Is there indeed significant variation in labor market conditions within states?
- Are existing indicators of substate labor market activity sufficiently reliable (in statistical, political, and legal terms) to be used for trigger purposes? What is the availability of these indicators among the states?
- How difficult would it be to implement and administer a substate program? Would such a program be more costly than the current statewide EB program? What sorts of issues would arise that do not arise under the statewide EB program?

The discussion of our findings is organized around these three sets of issues. First, however, we examine the key issues involved in the design of a substate program.

B. ISSUES IN THE DESIGN OF A SUBSTATE PROGRAM

In addition to embodying the program goals and objectives, a comprehensive program design must address several key policy and operational issues:

(1) Definition of the target population

(2) Definition of substate areas

(3) Definition and application of the program trigger

(4) Determination of benefit eligibility

(5) Interaction with the current EB program

Aspects of these issues are highlighted below.[5]

Program specifications must also recognize numerous constraints on the parameters of the design. For example, in view of budgetary, timing, and other considerations, the current political environment is not likely to permit significant new data collection, regardless of how critical it may be to the construction of a reliable substate trigger. These constraints affect the viability of particular program options and, ultimately, the ability of a substate program to achieve its objectives.

Target Population. Is the substate program intended for all regular UI exhaustees (as is the current statewide EB program) or does it have a different focus? A substate program might be structured as an add-on to the present EB program, or it might even replace some weeks of regular UI in some locations. A substate program might also have special eligibility provisions.

Definition of Substate Areas. There are many different ways that a state might be subdivided for the purposes of a substate program. These include Metropolitan Statistical Areas (MSAs), BLS Labor Market Areas (LMAs), Bureau of Economic Analysis (BEA) economic areas, or, at the finest level of disaggregation, individual counties. Although conceptually it seems clear that the area definition used should offer a good approximation to the notion of a local "labor market," actual implementation of such a definition is constrained in many ways by existing political divisions and by the availability of local area data.

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[5] Two additional issues--determination of benefit duration and program financing--would also need to be addressed in designing a substate program. However, since those factors are not critical to the feasibility of a substate EB program, they are considered only peripherally in this study.

Trigger Definition. A large number of trigger indicators might be used for a substate program, either alone or in various combinations. The IUR and the TUR have been mentioned most frequently in this context, but several other constructions are feasible given the available data. One example is the "covered unemployment rate" (CUR)--defined similarly to the IUR but with exhaustees who continue to be unemployed added to the numerator. The definition of appropriate criteria for triggering the program on and off obviously depends on which indicator is selected. Consideration must also be given to such additional factors as the use of seasonal adjustment and other smoothing techniques.

Benefit Eligibility. Even if a substate program were targeted at all UI exhaustees, it would be possible to impose additional eligibility criteria. The EB program itself has, at various times, adopted stricter base period employment and availability for work requirements than exist under many states' regular UI program and such criteria might be used in a substate program as well. Additional issues of eligibility that arise in the substate context include defining and verifying the area that a particular claimant belongs to (either by residence or by place of work), devising appeals and other procedures to be used to assure equity in cases of otherwise similar workers, and developing criteria for inter-area payments for those who file in or move to a new area (as in the interstate portion of the current UI program).

Interaction with the Current EB Program. At one extreme, a substate program might completely replace the current EB program. Alternatively, EB could continue to operate as under current law and substate benefits could be payable to EB exhaustees. Intermediate options include various ways in which substate triggers would operate at all times, but would be replaced by statewide triggers in certain circumstances, similar to the way that the state EB program previously operated with the national trigger.[6]

For the most part, we assumed that a substate program would replace the current EB program, and would operate like it in most relevant respects, such as benefit computation and eligibility rules. In short, we asked: "How would the current EB program operate if it were triggered on a substate basis?" We were interested, therefore, in comparing the targeting effectiveness--the extent to which more program benefits are provided to unemployed individuals in areas with weak labor markets--and administrative complexity of statewide and substate variants of the EB program. We now summarize what we found in making that comparison.

C. IMPROVED TARGETING OF BENEFITS

To investigate the potential improvement in benefit targeting that could be achieved with a substate program requires data covering the nation, but it also requires more detailed information than can be achieved for all of the states. Local area labor market information was obtained at the county level for all fifty states, and detailed substate UI data were collected from two states (Florida and Missouri). We used all of these data to examine the potential gains that a substate program might achieve in targeting benefits on the weakest labor markets. In addition, we used the UI data from Florida and Missouri to develop a simulation model representing how a substate program might have operated in those states.

Because counties exhibit considerable intrastate variation in unemployment rates, the use of substate triggers would have offered some important targeting advantages over the statewide triggers, according to our analysis of the period between 1981 and 1986.

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[6] When unemployment was high nationally, extended benefits were payable in all states, regardless of individual state circumstances. The national trigger was eliminated in 1981.

Differences between statewide and substate triggering would have been relatively modest during the recession year of 1982 (the only recession year we examined in this analysis), but would have been substantial in some of the non-recession years. As might have been expected, the targeting efficiency of substate triggering also depended on the threshold level that was used to trigger the program on and off. With a TUR trigger, we found that when thresholds were set at lower levels the difference between substate and statewide EB programs diminished, due to the greater proportion of areas that triggered onto EB.

These targeting results from our analysis of national data tended to carry over into our more detailed examination of data from Florida and Missouri. For those two states, we were able to explore several alternative trigger indicators in addition to the TUR, all of which gave similar results. Again, substate triggering was found to provide some advantages in terms of targeting EB benefits to local labor markets. These gains were substantial only during non-recessionary periods, however. Also, targeting advantages occurred only when relatively small geographic areas were used as the basis for a substate program (for example, 20 MSAs in Florida in combination with a balance of state area). There were practically no advantages over a statewide program in using larger BEA economic areas (of which there are six in Florida) as the basis for a substate program.

Because more extensive UI data were available for Florida and Missouri than in our national data base, it was also possible to use these data to estimate how adoption of a substate option might have affected EB caseloads in these states. In practically all of the situations examined, caseloads were projected to be larger under substate triggering than under statewide triggering. The principal reason for this projected expansion in caseloads was the provision of EB to substate areas during non-recessionary periods. The consideration of a cyclical requirement for triggering (similar to the 120 percent rule in the current EB program) did not improve the focusing of benefits on recessionary periods.

The extent to which EB caseloads might be increased under a substate program was found to depend importantly on the specific trigger indicator used. In our simulations that employed a TUR trigger the estimated increases in the EB caseload were relatively modest--most such increases fell in the 13 to 19 percent range for the six years examined, depending on the trigger threshold assumed. For substate options that used the IUR or the CUR the increases in EB caseload were more substantial, ranging from 26 to 45 percent in the simulations examined. Because both of these trigger indicators are more closely related to the number of potential EB recipients in an area than is the TUR, the increase in caseloads encountered in moving to a substate program is greater. The absence of major targeting gains from using these UI-based triggers during recessionary periods, however, suggests that they are not necessarily better than the TUR in identifying weak labor markets per se.

In order to examine how a substate EB program might operate over the business cycle, we simulated several hypothetical recessionary scenarios. In general, we found that substate EB caseloads would be larger under long, shallow recessions than under short, steep ones. Because some substate area labor markets are more sensitive to statewide and national business conditions than are other substate labor markets, longer recessions can result in a pattern in which some areas remain eligible for EB for very long periods. Under a short recession, however, practically all of the areas in a state experience high unemployment at the same time.

In summary, our results show that adoption of a substate program could improve the targeting of extended benefits to the weakest labor markets. However, these gains were of a significant magnitude only for substate program options that used fairly small geographic areas and that operated during non-recessionary periods. Hence the major gains occurred for those options that may be the most costly to administer and in those situations where extended benefits may be responding to structural rather than cyclical unemployment.

D. THE AVAILABILITY AND RELIABILITY OF DATA FOR SUBSTATE TRIGGERS

Realization of these potential targeting gains requires accurate measurement of the labor market conditions confronting the target population at the substate level. Error in the substate measures of labor market conditions reduces the targeting efficiency that could be achieved under a substate program, and it can create both political and legal problems if, as a consequence, the substate program systematically favors particular areas or types of areas.

Of the two major types of trigger mechanisms that might be considered--exhaustion rates and unemployment rates--the former suffers from slow responsiveness to changing economic conditions, and the latter can be difficult to define so as to approximate labor market conditions facing the EB target population. In addition, the place of residence basis of substate unemployment counts and the place of work basis of substate employment counts creates the potential for significant bias in the estimates of substate unemployment rates. Nevertheless, unemployment rates hold the greatest promise as a basis for triggering extended benefits to substate areas.

Counties are the smallest geographical unit for which even minimal labor market data are available on at least a monthly basis. For UI program jurisdictions without counties or their statistical equivalents (e.g., the District of Columbia and the Virgin Islands), the data to support substate triggering do not exist.

For numerous reasons, including reduction of the potential bias of substate unemployment rates, some aggregation of counties is desirable. For counties located in metropolitan areas, aggregation according to established geographic designations (MSAs and LMAs) is both possible and desirable. For counties located in nonmetropolitan areas, analogous county groupings do not exist. Consequently, attention to the designation of nonmetropolitan substate areas is essential to designing a substate program that serves the needs of all the states. There is evidence that differences in labor market conditions between the metropolitan and nonmetropolitan areas in a state are an important part of existing substate variation.

Indicators currently available on a monthly basis include the TUR, an approximation to the IUR based on LAUS program data, and the CUR. The costs of collecting additional data to support alternative measures would be prohibitive. Unfortunately, the LAUS-based measures are produced with a five-week lag that cannot easily be reduced, which weakens the responsiveness of the trigger to changes in labor market conditions.

E. ADMINISTRATIVE FEASIBILITY AND COST

To collect information pertinent to evaluating administrative issues, we conducted a survey with UI officials in all 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands, to ascertain their views of the desirability and administrative feasibility of a substate program. This survey contained both detailed quantitative information about the availability of the data that might be needed to operate the program and more subjective information on the views of experienced administrators about how such a program might operate in practice. Operation and implementation issues were addressed in more depth in interviews conducted during a visit to Ohio. The information generated by the interviews with UI staff provided insights into all phases of our research.

Most of our information about the feasibility and costs of operating a substate EB program came from our survey of state UI officials, although some was also provided by our simulation modeling. Overall, it appeared that implementing and administering such a program might pose a number of difficult and costly problems. In addition to problems relating to the construction of the substate triggers, discussed above, these included both: (1) increased costs of processing initial and continuing EB claims, and (2) increased public dispute and political interjection in the EB program.

1. Increased Administrative Costs

A substate program would incur increased administrative costs in processing initial and continued claims for several reasons. First, the increase in the number of areas would involve a considerable increase in the number of on and off fluctuations experienced under the EB program. Our simulation model suggested that the number of such fluctuations would increase approximately in proportion to the number of substate areas utilized. Adoption of a substate program based on MSAs in Florida, for example, was estimated to incur about twenty times as many on/off decisions as a statewide program. Although the administrative costs associated with implementing and terminating an EB period are not likely to increase by this order of magnitude under a substate program (because approximately the same number of workers are involved under the substate and statewide options), it seems clear that significant increases could be expected.

A second reason that a substate EB program would involve increased administrative costs is that such a program would require expanded efforts to verify claimants' eligibility for the program. Many of the survey respondents stressed that place of residence verification would assume increased importance under a residence-based substate program. It is likely that it would be also necessary to implement a variety of restrictions on temporary address changes (together with the associated appeals procedures for these restrictions) to prevent claimants from switching addresses into EB-eligible areas. Some of these problems would be mitigated by a place-of-work based definition of eligibility, but survey respondents noted that even under this type of program a number of employment arrangements (e.g. multiple work sites, multiple employers, and so forth) would make eligibility determination problematic.

Finally, a number of survey respondents expressed concern about the difficulty of keeping track of which areas had triggered on or off under a substate program and of avoiding possible overpayments arising from incorrect eligibility determinations. They noted they had often encountered such problems under the statewide EB program (usually because of lags in the availability of trigger information) and that they believed such difficulties would be greatly compounded under a substate program. Under a substate program, it would probably be necessary to develop increasingly sophisticated claims and payments mechanisms to reduce overpayments.

Using information gathered from our discussions with state UI officials, selected findings from our simulation model, and existing data on UI administrative funding, we have derived rough estimates of the costs of administering and implementing a substate EB program. These estimates (based on the assumptions that the program would use relatively large substate areas, that the TUR would be used as the program trigger, and that the program would replace the existing EB program) suggest that the costs of implementing and administering a substate EB program over the period FY 1981-86 would have been approximately $285 million more than the costs of the statewide EB program for that period. This implies that the "price" for each net additional first payment under a substate EB program (i.e., the price for the improvement in benefit targeting that occurs under the substate program) would be about $380.

2. Public Dispute and Political Interjection

One of the most frequently expressed concerns in the state survey was that a substate EB program might lead to substantially more public dispute about extended benefits programs. In part, respondents believed this would arise from situations where relatively similarly situated workers in a state were treated differently with respect to EB eligibility. The specter of neighbors or co-workers having different EB eligibility seemed far more problematic than under a statewide program. Adoption of the relatively small substate areas that we found necessary if the program were to achieve significant targeting benefits might well exacerbate these problems. Many respondents believed that a likely response to such situations would be increased pressure on political leaders to expand EB eligibility on an ad hoc basis to areas or groups of employees that were not technically eligible for the program under existing trigger criteria Respondents saw the likelihood of such political interjections as particularly significant if the substate program offered different potential durations to claimants in different areas (based on the labor market conditions in the areas) or if UI exhaustions tended to be bunched at particular time periods. If these pressures proved to be significant, one of the purported benefits of the current, permanent EB program (its automatic nature, relatively free from the vagaries of the political process) would be compromised.

F. AN OVERALL ASSESSMENT

The allure of a substate program of extended UI benefits is clear--such a program offers the promise of targeting the benefits to where they are most needed and can better avoid paying benefits where they are not needed. In this view, then, a substate program takes the current state-based EB program to its next logical step. However, operation of the current EB program on a statewide basis derives in part from the long-standing federal-state nature of the Unemployment Insurance system. Since each state has a distinct set of UI laws and administrative procedures, adoption of state triggers for EB followed a long programmatic tradition. Focusing the EB program on substate areas, however, raises a number of additional complications that do not arise under the statewide approach, so a careful assessment seems warranted.

As discussed above, our findings suggest that there are gains in targeting to be achieved by focusing the EB program on local labor markets. For the alternative program designs that we studied, these gains are significant only when fairly small area definitions are used, however. The gains are also most substantial during non-recessionary periods--the substate programs offer few targeting advantages during major national recessions. Although the provision of extended benefits to depressed local areas during non-recessionary periods may meet the need to "do something" about the problems that unemployed workers in these areas face, such a response may not be the best policy and it may in fact be counter-productive if it inhibits labor market adjustment.

The extra costs involved in operating a substate EB program might be substantial. Developing the data for substate triggers would require at least modest expenditures to assure that all states met similar standards of data timeliness and quality. More significant costs would be encountered as a result of the increased complexity involved in assessing claimant eligibility under a substate program and in operating a constantly changing program in many locations. Most imponderable are the potential political costs involved in what many of our survey respondents saw as the increasing number of public disputes that would be expected to arise under a substate program.

Whether the targeting gains potentially available under a substate program justify these added costs is, of course, a judgement that must be made by policy makers. The purpose of our analysis has been to provide information about what some of the tradeoffs might be. In so doing, we have primarily limited our examination to comparisons between statewide and substate variants of the EB program. We have not explored, except in a limited fashion, possible adjustments in the EB program that, while maintaining its statewide character, seek to improve its operation in current labor market environments. Nor have we examined substate programs that might operate very differently for EB in terms of target population, benefit eligibility, or adjustment services provided. A full policy assessment should also examine these other approaches to the problems faced by the long-term unemployed.

III. THE POTENTIAL FOR IMPROVED TARGETING OF BENEFITS: AN EMPIRICAL ASSESSMENT

The principal appeal of a substate EB program lies in its presumed ability to improve the targeting of benefits and, in so doing, increase the overall effectiveness of extended benefits policy. If a substate program is to achieve this objective, a critical precondition is that labor market conditions differ sufficiently across geographic areas within each state (or within enough states) to support more efficient targeting.

In this chapter we describe the results of our empirical analysis of the potential improvement in targeting that might be achieved with a substate program. The analysis comprised two separate efforts--one focused on a limited set of substate data covering the entire nation and the other based on a much more detailed set of data for two states. Both efforts involved the simulation of alternative EB triggers at different geographic levels and produced estimates of program size and targeting efficiency under different scenarios. The national level analysis is presented in Section A and the state level analysis in Section B. Overall conclusions that integrate the two sets of findings are presented in Section C.

A. DIFFERENTIATION IN SUBSTATE LABOR MARKET CONDITIONS ACROSS THE NATION

A thorough investigation of the potential impact of substate triggering requires substate data for all of the states. While national compilations of substate labor market data are quite limited, they nevertheless provide our only means of understanding the nature and the extent of substate variation in labor market conditions and how these may vary over time. Without such knowledge we cannot predict how a particular substate program design would play out over the entire nation--or, indeed, whether substate triggering has any merit at all.

In this section we present the results of our analysis of county-level labor market data for selected years between 1980 and 1986. First we describe our data base and our basic approach, and then we discuss the procedures we employed to measure targeting efficiency.

1. Data Sources and Methodology

Our investigation is limited by our ability to measure substate variability, which is limited by the available data. It is actually more limited than current data collection might suggest because the historical data available to us are only a subset of those collected or generated by the states in constructing the various labor market indicators discussed in the next chapter. Basically, for the period of interest we are limited to the following items for all states:

- Annual average LAUS estimates of the TUR, total employment and total unemployment for all counties
- Monthly state IURs

We assembled these data for selected years between 1980 and 1986, so that we might cover the period before, during and after the 1982-83 recession.

To examine the extent to which substate triggering might improve the targeting efficiency of extended benefits, we applied a variety of hypothetical scenarios to this data base. The results describe the potential improvement in targeting that could be attained with alternative levels of geographic disaggregation, given a particular trigger.

We compare three levels of disaggregation: the state, a combination of MSAs and grouped nonmetropolitan counties within each state, and individual counties. The county level disaggregation is included by implication only; we calculate a measure of targeting efficiency that is defined relative to what could be achieved with county-level disaggregation.

We also evaluate an alternative state trigger--one that takes into account the variation in substate labor market conditions in addition to the average level. With this trigger, two states with the same overall unemployment rate will receive different values if one has pockets of high unemployment and the other does not.

2. Measuring Targeting Efficiency

We employ two approaches to measure the targeting efficiency of alternative EB trigger mechanisms. The first involves calculating the average unemployment rate in the areas that would be triggered "on" by a given mechanism. The second involves calculating the overlap between the population that would be eligible under each alternative and the population covered by the most detailed level of triggering that can be simulated. Both approaches are based on the principle that the beneficiaries of a more efficiently targeted program should come from the areas with the weakest labor markets.

a. Weighted Unemployment Rate

If we divide the total number of unemployed persons in a set of areas by the total number of labor force members in those areas, we obtain the overall unemployment rate for the group of areas. This is equivalent to the average area unemployment rate, where the individual area unemployment rates are weighted by labor force size.

If instead of weighting by labor force size we were to weight each area unemployment rate by the number of unemployed persons in that area, we would obtain an alternative rate, which we designate the "weighted unemployment rate." This rate is equivalent to the average unemployment rate experienced by unemployed persons in the set of areas. By this method of weighting, each unemployed person counts equally in calculating the average unemployment rate. We argue that expressing the area unemployment rates in terms of the average unemployed person in these areas rather than the average labor force member is more consistent with the measurement of the targeting efficiency of a program aimed at unemployed persons.[7]

Mathematically, the weighted unemployment rate and the overall unemployment rate will be identical when all areas have the same unemployment rate. The weighted unemployment weighted rate will exceed the overall unemployment rate when the area rates differ.

This has implications for the calculation of state triggers. A state trigger calculated as a weighted sum of county or other substate area triggers would give states with large pockets of high unemployment a greater chance of qualifying for EB than states with the same overall unemployment rate but uniform labor market conditions throughout the state.[8] In our investigation of the potential targeting improvement from substate triggering, we consider this "weighted state trigger" as an alternative to either the current state trigger or a substate trigger.

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[7] For an evaluation of EB targeting an even more appropriate means of weighting would utilize the number of unemployed persons who would be eligible for EB, but the appropriate data are not available.

[8] Consider a simple example. State A and state B have 50,000 unemployed persons and one million labor force members each, for an overall unemployment rate of 5.0 percent. Each state has three substate areas. In state A, all three areas have identical 5.0 percent unemployment rates. In state B, however, one area with 100,000 labor force members has 40,000 unemployed persons, for an unemployment rate of 40.0 percent. The other two areas have only 5,000 unemployed persons and 450,000 labor force members, yielding unemployment rates below 1.2 percent. In state B the substate area with the 40.0 percent unemployment rate has a smaller labor force than the other two areas, but it accounts for 80 percent of the state's unemployed population. The weighted unemployment rate for state A is 5.0 percent, but the weighted rate for state B is over 30 percent. If we used the weighted rate as a trigger, therefore, we would target state B but not state A; with the overall rate we would not target either state.

b. Relative Targeting Efficiency

The weighted unemployment rate does not tell us how much more efficient is one trigger mechanism than another. To address this need, and to provide a more direct indication of the extent to which an EB program reaches the unemployed population in the weakest labor markets, we developed an alternative measure of targeting efficiency.

If we could rank the nation's counties by the weakness of their labor markets, placing the weakest at the top, and then count from the top the cumulative number of potential EB recipients for each successive county, we could use this information to determine the most efficient allocation of EB for any number of recipients. Assuming 20,000 recipients, for example, we could locate the county at which the cumulative number of potential EB recipients reached 20,000. Awarding EB to that county and all the counties listed above it would provide the most efficient allocation of EB to 20,000 recipients, given a county-level geographic base. The relative efficiency of an alternative allocation (e.g., one based on state triggers) that also yielded 20,000 recipients could be measured by determining what proportion of the 20,000 persons who received EB under the most efficient allocation would also become recipients under the alternative allocation.

We applied this logic to measure the efficiency of state and substate triggering relative to county triggering, given alternative threshold values for a TUR trigger. Specifically, we determined which counties would trigger onto EB with a particular threshold and geographic level, and we then counted the number of unemployed persons in these counties (data on EB recipients being unavailable). Next we compared this number to the rank ordering of counties by TUR to determine which counties would trigger onto EB with a county level trigger that produced the same total number of recipients. We then identified those counties which would trigger onto EB under both sets of conditions, and we added up their unemployed persons. Dividing this number by the total number of recipients yields the measure of relative efficiency, which ranges from zero to 100 percent.

3. Results

Table III.1 summarizes the results of our analysis of the comparative implications of state and substate triggering with TUR thresholds of 7.0, 8.0, and 9.0 percent for five selected years between 1980 and 1986. We divide our discussion of these findings between program size and targeting efficiency.

a. Program Size

To compare the sizes of the programs generated under the alternative scenarios we calculated the proportion of the nation's unemployed residing in counties that would be triggered onto EB. In view of the limited data available for such an analysis, this provides a reasonable summary measure of how much of the unemployed population would be covered by EB under different circumstances. This measure is more informative than an unweighted count of the number of areas or counties that would be triggered on, because counties vary substantially in size. Nevertheless, some caution is required in drawing inferences from our results, as the relationship between the number of EB claimants and the total number unemployed is not constant over time or place.

In every year the alternative threshold values imply markedly different program sizes. The 7.0 percent threshold yields very large numbers in 1982, and even in 1986 about half or more of the nation's unemployed resided in states that would qualify for EB. For purposes of comparison, we note that in 1982 about 78 percent of the unemployed resided in states qualifying for EB whereas in 1986 only three states (Alaska, Idaho and Louisiana) representing 4.0 percent of the nation's unemployed qualified for EB. The 8.0 percent threshold that was proposed in a recent version of

TABLE III.1

ESTIMATES OF THE SIZE AND RELATIVE TARGETING EFFICIENCY OF EXTENDED BENEFIT PROGRAMS BASED ON ALTERNATIVE LEVELS OF GEOGRAPHIC DISAGGREGATION AND TUR TRIGGERS APPLIED TO ANNUAL AVERAGE DATA FOR SELECTED YEARS, 1980 TO 1986

Hypothetical Trigger and Geographic Level	Year				
	1980	1981	1982	1985	1986
	Percent of the Nation's Unemployed Living in Counties Triggered On				
Total Unemployment Rate = 7.0					
State TUR	58.2	73.8	91.4	59.2	48.9
Weighted state TUR	76.4	82.2	97.3	81.0	69.5
MSA and BEA economic area TURs	57.9	68.1	86.8	64.1	54.2
Total Unemployment Rate = 8.0					
State TUR	28.7	43.9	81.7	37.5	45.1
Weighted state TUR	41.1	69.7	90.5	63.5	47.9
MSA and BEA economic area TURs	33.8	52.3	77.2	44.4	40.4
Total Unemployment Rate = 9.0					
State TUR	11.8	26.2	64.8	18.9	11.1
Weighted state TUR	15.2	29.8	77.9	31.6	28.8
MSA and BEA economic area TURs	25.5	31.7	64.9	32.9	29.6
	Weighted Unemployment Rate in Counties Triggered On				
Total Unemployment Rate = 7.0					
State TUR	9.02	9.26	11.25	9.42	9.90
Weighted state TUR	8.62	9.06	11.03	8.96	9.22
MSA and BEA economic area TURs	9.60	9.80	11.60	9.98	10.41
Total Unemployment Rate = 8.0					
State TUR	10.14	10.05	11.56	10.01	10.08
Weighted state TUR	9.55	9.36	11.28	9.40	9.98
MSA and BEA economic area TURs	10.89	10.41	12.10	11.05	11.33
Total Unemployment Rate = 9.0					
State TUR	11.99	10.85	12.19	10.81	12.29
Weighted state TUR	11.35	10.65	11.70	10.29	10.83
MSA and BEA economic area TURs	11.58	11.55	12.71	11.91	12.33
	Targeting Efficiency Relative to Individual County Triggers				
Total Unemployment Rate = 7.0					
State TUR	76.9	86.1	94.3	73.3	72.5
Weighted state TUR	86.3	89.8	98.1	88.3	80.9
MSA and BEA economic area TURs*	90.6	90.4	96.7	92.4	90.3
Total Unemployment Rate = 8.0					
State TUR	53.4	69.9	90.1	61.8	69.7
Weighted state TUR	64.7	83.9	93.7	76.3	71.9
MSA and BEA economic areas TURs*	81.2	89.0	94.5	88.3	87.1
Total Unemployment Rate = 9.0					
State TUR	55.9	56.8	81.9	39.1	40.8
Weighted state TUR	55.9	57.5	88.7	54.1	57.3
MSA and BEA economic area TURs*	81.1	82.6	92.1	85.2	87.5

*MSAs include within-state portions only. Non-MSA counties are grouped by within-state portions of BEA economic areas.

SOURCE: Calculated from county-level LAUS data obtained from the Bureau of Health Professions Area Resources File.

the budget reconciliation bill would yield numbers close to the actual 1982 experiencein that recession year, but like the 7.0 percent threshold it would produce quite a large program in 1986, with more than 40 percent of the nation's unemployed living in areas that would qualify for EB. The 9.0 percent threshold produces qualifying rates in 1986 that fall more nearly in line with what might be expected in non-recessionary years, but it produces significantly lower qualifying rates in 1982 than does the 8.0 percent threshold.

With the same TUR threshold, the comparative size of the program generated by a substate trigger versus a state trigger depends on both the year and the trigger threshold. In 1982, a recession year, the state and area triggers produce comparably sized programs, with the state trigger yielding somewhat higher numbers at lower threshold levels. In the pre- and post-recessionary years, however, the substate trigger produces somewhat larger programs at low threshold levels, and at a 9.0 percent threshold level the substate trigger generates much larger programs--primarily because the state trigger produces very small program sizes. For example, in 1986 we estimate that the areas that would qualify for EB if a substate trigger were employed include nearly 30 percent of the nation's unemployed. By contrast, only 11 percent of unemployed lived in areas that would have qualified for EB status with a state trigger.

With a 9.0 percent threshold, the weighted state trigger implies program sizes very close to the area triggers in all but one year. The exception is 1982, where the weighted state trigger produces a markedly larger program than the substate trigger but one that is comparable in size to the actual EB program in that recession year. At lower threshold values, the weighted state trigger yields consistently larger programs than either the regular state or substate trigger. With the same threshold level we would expect the weighted trigger to produce at least as many qualifying states as the unweighted trigger because the weighted trigger values are necessarily greater than or equal to the unweighted triggers.

While it is difficult to evaluate program size implications independently of who gets what benefits, we argue that an acceptable trigger mechanism ought to produce no less coverage in 1982 than the current EB program while, at the same time, providing clear differentiation between recessionary and non-recessionary years. By these criteria the weighted state trigger combined with a 9.0 percent threshold may produce the most reasonable program size distribution over the years we have examined. At an 8.0 percent threshold, however, the weighted trigger produces excessive qualifying rates in non-recessionary years--particularly 1981 and 1985, where the rates are too little differentiated from the actual experience during the 1982 recession.

b. Targeting Efficiency

For the reasons noted earlier, we compare state and substate triggers with respect to two alternative measures of targeting efficiency: the weighted average unemployment rate in the counties that would be triggered on, and the proportionate targeting efficiency relative to individual county triggers.

With the weighted unemployment rate we find the following. With a threshold of 9.0 percent in the recession year 1982, when the state and substate triggers yield comparably sized programs, the average unemployment rate of unemployed persons in area-triggered counties is 12.71 percent versus 12.19 for those in state-triggered counties. In 1985 the gap is even larger despite the much larger size of the substate-triggered program. In 1986 the unemployment rates are about equal, but the program implied by the substate trigger is nearly three times as large as that produced by the state triggers; to achieve this result the substate trigger must be much more efficient than the state trigger in the allocation of benefits.

Triggering with the weighted state rate produces an eligible population with a markedly lower unemployment rate than the substate trigger in 1981, 1985 and 1986 (more than 1.5 percentage points in these latter two years) despite comparable program sizes. The weighted state trigger also tends to produce qualifying states with lower average unemployment rates than the unweighted state trigger, although differences in program size complicate this comparison. In 1981, when the weighted state trigger produces only a slightly larger program size than the unweighted trigger, the average unemployment rate is only slightly smaller. In comparing the two state triggers by this standard, then, we conclude that at best the weighted trigger is no more efficient than the unweighted trigger.

The bottom panel of Table III.1 compares the three sets of triggers with respect to the measure of relative targeting efficiency defined earlier. Generally these results affirm and strengthen the conclusions that we draw from the comparison of weighted unemployment rates. The differences in targeting efficiency between the state and area triggers are pronounced, and they grow as the trigger threshold rises--i.e., as the program becomes more discriminating. Furthermore, in almost every scenario substate triggering on the basis of MSAs and residual BEA economic areas is virtually as effective as triggering at the county level. The efficiency rates for this substate geographic option generally range from 80 to 90 percent of the county option. However, the differences are most pronounced in the non-recessionary years. In 1982 the state triggers (weighted and unweighted) also produce efficiency rates above 80 percent.

B. SIMULATIONS OF SUBSTATE TRIGGERING IN FLORIDA AND MISSOURI

Our analysis of substate differentials nationally, using annual average labor market indicators, suggests that there is indeed some potential for improving the targeting of EB by triggering at the substate level, but primarily during non-recessionary years. With these limited national data, however, we were not able to determine to what extent a substate EB program could take advantage of these differentials to produce genuine improvements in benefit targeting. With only annual average data, for example, we could not examine issues of timing in the triggering of benefits, nor could we examine the impact of linking benefits to change in labor market conditions. Consequently, our results may understate the potential for improved targeting during recessions and understate this potential in non-recessionary years. Similarly, without more extensive labor market data we could not examine the substate variability of indicators that might be more pertinent than TURs to triggering EB, and we could not estimate the implications for actual EB caseloads.

In this section we address these limitations with an analysis of detailed, monthly labor market data that we were able to obtain from two states, Florida and Missouri. For the most part the analysis is based on a simulation model that we developed using these state data. In the first part of this section we briefly describe why we believe that the simulation methodology is an appropriate one for examining the substate issue. In the second section we describe some of the data limitations that affected our selection of states for this analysis. In the third section we outline the substate program features that we chose to examine, then describe the simulation model and present our results.

1. Rationale for the Simulation Model

Since we have no actual experience in operating a substate program of extended benefits, any quantitative evaluation must to some extent be based on hypothetical data. But, if such an evaluation is to be meaningful, it must also be tied to real world information so that policymakers can have some confidence in the accuracy of the results obtained. Development of a simulation model based on actual data is an ideal way to meet both of these needs. By collecting detailed county-level data it is possible to obtain an accurate picture of the actual operations of local labor markets. These data provide the basic building blocks for all of our modeling. Using them, counties can be aggregated in various ways and a number of trigger indicators for the EB program can be developed.

Although the precise structure of our simulation model is described in Appendix A to this report, here we describe in general how the model is used. Two types of simulations are examined. The first of these used actual data for the 1980s to assess the counterfactual question of how EB would have operated if it had been based on a substate level. The advantage of this "replaying" of the 1980s is that it can be done using actual data and the results can be compared to what in fact happened (or, in some cases, what might have happened had trigger rates been different). The primary disadvantage of this approach is that it only permits the examination of substate outcomes for one specific economic scenario--the performance of labor markets during the 1980s.

Availability of a simulation model permits this potential shortcoming to be overcome through the development of hypothetical data series. As we describe below, in its complete form our simulation model permits the generation and use of hypothetical data that can be made to reflect any preassigned economic scenario. In this way, we are not tied to examining only what actually happened during the 1980s. In addition, we can employ a variety of "what if" questions and, hence, offer a more far-reaching evaluation of substate program alternatives. Of course, such hypothetical simulations may be subject to a greater degree of uncertainty than are simulations based on actual data. Consequently, care must be taken to insure that the model tracks the actual performance of local labor markets fairly well.

2. Data Availability and the Selection of States

The use of simulation analysis to evaluate the targeting effectiveness of the alternative program options required historical labor force data for substate areas. In particular, historical information was needed on the data elements used in defining the alternative substate trigger mechanisms. Since there is neither a national compilation of such data nor an inventory of the availability of the data at the state level, one objective of our survey of state UI officials was to determine which states, if any, had the historical data needed to support the study. (The state survey is described in Chapter V.)

Unfortunately, relatively few states compile the data required to calculate each of the triggers of interest to this evaluation, and fewer still maintain the historical data needed for the simulation analysis. Using a three-tier selection criteria, we identified six states as having: (1) the ability to provide the necessary data over a historical period, (2) two or more multi-county labor market areas, and (3) experienced a period of EB during the historical period for which data were available. A fourth factor, the level of difficulty that compiling the data would entail, had a direct impact on how many and which of the states were selected for the evaluation.

Because no state maintained all of the necessary data in machine-readable files, collecting the data from the states was determined to require varying levels of on-site data extraction and coding from hard-copy records--particularly for the earlier years of the historical period. As data extraction and coding from hard-copy records can be quite expensive, cost considerations forced us to limit the analysis to two states--Florida and Missouri. It is important to recognize that these two states are not intended to be considered "typical" of the remaining states. Our selection criteria necessarily favored atypical states.

3. Simulation of Substate EB Options

In order to investigate issues related to the targeting and operation of a substate EB program, we used the detailed data collected from Florida and Missouri to develop several simulation models. Although these models lack information on the characteristics of the individual UI claimants who might collect benefits under the various program options and must adopt a number of simplifying assumptions, we believe they provide a broadly accurate quantitative picture of how a substate program might perform. Our discussion of the simulation modeling effort is divided into three subsections: (a) basic structure of the models, (b) simulation results with observed data, (c) simulations results with hypothetical data.

a. Basic Structure of the Models

A substate program can be designed in numerous ways. In developing our simulation model, we were constrained in two ways in our ability to examine alternative programs. First, even though the states we chose for in-depth data collection seemed to be the best for our purposes, they still posed a number of problems for our analysis in terms of the data available and the types of labor markets they represented. Second, any simulation modeling effort ultimately has to determine which program features are the most important to examine, and ours is no exception. In order to make our analysis clear and concise we ultimately focused on only a few of what we considered to be the most relevant policy alternatives. In some cases it would be a relatively simple matter to examine other design questions using our model. In other cases, however, such an examination may be precluded by the way we specified our models.

In order to focus our modeling on the most fundamental issues, we adopted the following parameters for all of our simulations:

(1) Three possible substate trigger indicators were examined: the TUR, the CUR, and the LAUS-based IUR (referred to in this chapter as simply the IUR).

As will be discussed in Chapter IV, the data used to construct all of these measures are collected as part of the LAUS program. Issues involved in the timing and availability of these data (together with a discussion of other possible options) were mentioned in Chapter II and are discussed in detail in Chapter IV.

(2) Two geographic subdivisions of the states were examined: (a) a set of relatively large and nonhomogeneous BEA economic areas--six in Florida, seven in Missouri, and (b) a finer subdivision based on Florida MSAs (which numbered 20) and a "balance of state" area, hereafter referred to as the "21 MSAs."

Although other groupings of the counties within a state were feasible given the detail of our data, we believed that these two choices offered a fairly good guide to how the states might actually implement a substate program.

(3) All substate programs simulated were assumed to operate as a replacement for the EB program.

First payments under the program options were therefore estimated to be proportional to final UI payments during a period.[9] Use of such an estimate of substate EB first payments provided us with a way of measuring aggregate program performance across geographic areas that differed substantially in the number of UI claimants.

(4) All of the simulation modeling was based on monthly data.

Although the current EB program actually operates on the basis of a weekly trigger computation, it was thought that relatively little would be lost in terms of broad programmatic implications by adopting a monthly format instead. As in the actual EB program, it was assumed that once an area triggered "on" a substate program would remain in effect for three months (or thirteen weeks). Similarly, once an "off" indicator is recorded, it was assumed that the program would not pay benefits for a three month period.

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[9] Specifically, it was assumed that 86 percent of those claimants who exhausted their UI entitlement during a period would collect a substate EB first payment during that period. For a discussion of this figure and the methodology used in deriving it, see Corson and Nicholson (1985).

On the basis of these four simplifying assumptions, we constructed a variety of simulation models using data from Florida and Missouri for the period 1981-86. The basic indicators used for triggering substate benefit programs in these models are described in Tables III.2 and III.3, which report percentile distributions of monthly values for the state and monthly area values for the sets of MSA and BEA economic areas. In general, these indicators seem to have exhibited considerable variability over the period--in all of the geographic aggregations the bottom quintal of total unemployment rates was nearly 2.5 percentage points below the top quintal. Variability among the BEA economic areas in Florida and Missouri did not seem significantly greater than the variability in the statewide figures themselves, and this finding is mirrored in some of our later simulation runs. For the 21 MSAs in Florida, variability was somewhat wider, however. Perhaps for this reason many of our simulation runs with this finer geographic division seem to have produced more variable results.

Probably the most noticeable feature of Tables III.2 and III.3 is the extent to which both the IUR and the CUR figures fall short of unemployment as measured by the total unemployment rate. That finding is especially pronounced in Florida where IURs in excess of 2.00 were a rarity, even during most of the 1982-83 recession.[10] Low IURs were not confined to Florida alone, however. In Missouri the statewide IUR exceeded four percent in only 14 months during the time period observed although rates above 4 percent were fairly common in the 7 BEA economic areas. These results mirror those found for all states (Corson and Nicholson, 1988) and clearly illustrate that the trigger levels originally incorporated into the EB program in the early 1970s may no longer be appropriate. In our simulation runs, for example, we adopted what appear

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[10] A simple time series regression of IUR on TUR across all of the states for the period 1981-86 showed that Florida's rates were, on average, about 1.6 percentage points below those elsewhere.

TABLE III.2

PERCENTILE DISTRIBUTION OF THREE MONTHLY TRIGGER RATES FOR THE STATE, BEA ECONOMIC AREAS, AND MSAs: FLORIDA, 1981-1986

Trigger Rate	Percentile 20	40	60	80	Mean
Total Unemployment Rate (TUR):					
State	5.82	6.31	7.06	8.14	6.93
6 BEA Economic Areas	5.45	6.10	6.93	7.89	6.71
20 MSAs and Balance of State	4.92	5.76	7.00	8.79	6.99
Insured Unemployment Rate (IUR):					
State	1.28	1.40	1.70	2.13	1.69
6 BEA Economic Areas	1.06	1.36	1.63	1.97	1.56
20 MSAs and Balance of State	1.05	1.33	1.74	2.34	1.75
Covered Unemployment Rate (CUR):					
State	1.98	2.12	2.31	3.02	2.46
6 BEA Economic Areas	1.52	1.96	2.34	2.74	2.22
20 MSAs and Balance of State	1.52	1.91	2.51	3.32	2.51

SOURCE: Generated from data provided by the State of Florida.

TABLE III.3

PERCENTILE DISTRIBUTION OF THREE MONTHLY TRIGGER RATES FOR THE STATE AND BEA ECONOMIC AREAS: MISSOURI, 1981-1986

Trigger Rate	Percentile 20	40	60	80	Mean
Total Unemployment Rate (TUR):					
State	6.09	6.75	8.19	9.37	7.78
7 BEA Economic Areas	5.60	7.24	8.74	10.66	8.40
Insured Unemployment Rate (IUR):					
State	2.17	2.51	3.14	4.10	3.15
7 BEA Economic Areas	.17	2.98	3.83	4.94	3.80
Covered Unemployment Rate (CUR):					
State	3.12	3.48	4.24	5.49	4.34
7 BEA Economic Areas	3.03	4.29	5.29	6.69	5.14

SOURCE: Generated from data provided by the State of Missouri.

to be quite low trigger thresholds for substate programs based on the IUR or the CUR in order to approximate the results obtained for "reasonable" TUR trigger rates. Similarly low trigger rates would have to be adopted for any substate program that utilized UI-based criteria if the program was to provide realistic access to EB across the states.

b. Simulation Results with Observed Data

Our first and largest set of simulation runs used observed data for the period 1981-86. These addressed hypothetical questions about how a substate program might have operated during this period given the prevailing unemployment rates and potential EB caseloads. Summary results for one set of simulations for Florida are reported in Table III.4.[11] These simulations assumed that a 7.0 percent TUR would be used to trigger on a substate program.[12] If such a threshold were employed on a statewide basis, the model estimated EB first payments (over six years) of approximately 200,000. Over eighty percent of these payments would have been made during the recession years of 1982 and 1983. In order to have some common baseline, threshold rates for hypothetical IUR and CUR statewide triggers were chosen to yield approximately the same number of EB first payments--this required an IUR trigger rate of 1.6 percent and a CUR trigger rate of 2.3 percent. As discussed previously, such low figures clearly reflected both the historically low levels of UI claims (relative to total unemployment) in Florida and the more recent declines in UI claims that have occurred in most states.

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[11] Detailed results from some of these simulations which show data for each region being simulated are reported in Appendix A.

[12] In this simulation, and in most of our other simulations, no allowance was made for the "120 percent" requirement that has at times been part of the EB trigger definition. This provision is discussed further below.

TABLE III.4

SIMULATION RESULTS FOR FLORIDA
ASSUMING 7.0% TUR, 1.6% IUR, AND 2.3% CUR: 1981-1986

Area	Assumed Trigger Rate TUR: 7.0%	IUR: 1.6%	CUR: 2.3%
Statewide			
First Payments EB (1,000s)	199.6	199.6	208.6
Percent of EB First Payments During 1982-1983	80.4	80.4	76.9
Weighted Average TUR of EB Recipients	8.92	8.84	8.74
Number of EB Status Changes	4	3	5
6 BEA Economic Areas			
EB First Payments (1,000s)	207.0	230.5	267.2
Percent of EB First Payments During 1982-1983	69.2	66.3	55.6
Weighted Average TUR of EB Recipients	9.05	8.69	8.53
Number of EB Status Changes	46	34	32
20 MSAs and Balance of State			
EB First Payments (1,000s)	225.7	264.1	262.8
Percent of EB First Payments During 1982-1983	60.2	58.0	56.9
Weighted Average TUR of EB Recipients	9.55	9.00	9.05
Number of EB Status Changes	115	86	57

SOURCE: Generated from data provided by the State of Florida.

Two additional outcome measures are reported for the statewide simulations in Table III.4. The first, which was introduced earlier in this chapter, represents a "weighted TUR" for which the TUR in each labor market area in Florida was weighted by the number of estimated EB first payments during a period (which could be zero if the substate program were not triggered-on in an area). This rate therefore reflects the average total unemployment rate faced by recipients of substate benefits. Overall this rate averaged about 9 percent during the period under all three of the statewide trigger options.

The final statewide outcome reported in the table is the number of "status changes" over the period. This figure reflects the number of times that a particular program option was estimated to have gone from an "off" status to an "on" status or vice versa. Because such changes in status represent substantial administrative costs in an EB-type program (see Chapter V), these figures provide a measure of one dimension of administrative complexity. For the statewide simulations the number of such status changes was quite small--the program was estimated to be "on" only for a lengthy period during 1982-83 and, in some cases, for much shorter periods in 1981 and 1984.

The second set of simulations reported in Table III.4 divided Florida into six large BEA economic areas. Although this disaggregation increased estimated EB first payments only slightly in simulations that used the TUR as a trigger, the expansion for simulations based on the IUR and the CUR were somewhat larger, amounting to nearly 30 percent in the CUR case. Use of the six BEA economic areas resulted in a marked reduction in the fraction of first payments during the 1982-83 recession. With the CUR trigger, for example, fewer than 60 percent of all first payments occurred during these recession years. The simulations showed how the adoption of a substate EB program could result in a situation in which at least some areas are paying benefits in practically every period. Only for a few months in 1985 and 1986 did we estimate that no EB payments would have been made in any area of Florida.

Use of the six BEA economic areas did not improve the targeting of EB over what can be obtained with a statewide program. The weighted averages for the TUR experienced by EB recipients changed only marginally from those calculated for a statewide program. Indeed, for the triggers based on UI claims, the weighted average TUR even fell slightly. Although the simulations indicated no targeting gains from adoption of this type of substate program, they did give a strong indication of the administrative complexity involved. These simulations indicated that, at least for TUR and IUR triggers, the number of status changes increased far more than the sixfold increase that might have been anticipated in moving to the six BEA area subdivision.

The final set of simulations reported in Table III.4 assumed that a substate program would operate on the basis of the 20 MSAs in Florida, together with a single large "balance of state" area. For the TUR and IUR triggers, estimated EB first payments increased about 10 to 15 percent over those from the BEA simulations, and the fraction of payments during 1982-83 dropped even further from the levels recorded under a statewide program. For the case of the CUR trigger, the finer disaggregation for the MSA simulations seemed to make little difference in caseloads relative to the BEA simulations. Average weighted TURs rose under this finer disaggregation, though the increase was large only for the case of a TUR trigger.[13] As might have been expected, the status change measure indicated that basing a substate program on MSAs might involve considerable additional administrative complexity. This complexity would be markedly lower for programs that used IUR and (especially) CUR triggers, probably because of the greater smoothing (relative to the TUR) already incorporated into the construction of these trigger indicators.

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[13] For this case the rise may be somewhat artificial since the outcome and the triggering mechanism are based on the same indicator.

Table III.5 reports on a set of simulations for Florida that used somewhat higher unemployment rates than those in Table III.4. The 8.0 percent TUR trigger assumed in the table resulted in an estimated 141,000 EB first payments over the 1981-86 period, or about 30 percent fewer than with a 7.0 percent rate. Similar numbers of first payments were obtained with IUR and CUR trigger rates of 2.0 and 2.8 percent, respectively. Under a statewide program virtually all of these first payments would have been made during the recession years 1982-83. Because of this concentration of benefits under most of the statewide options modeled, raising the trigger thresholds in Table III.5 had relatively little influence on the weighted average TUR experienced under a statewide trigger approach. An increase in the trigger rate of 1 percent resulted in less than a one-third of a percentage point increase in the weighted TUR.

The differences between a statewide and a substate program became somewhat more apparent in the simulations using these higher trigger rates--especially for the MSA simulations. In these simulations EB first payments were much higher with the UI-based triggers than they were under the statewide scenario, and the weighted average TUR increased markedly. Neither of these outcomes was as apparent in the simulations involving the six BEA economic areas, however. These findings imply that if a substate program is to provide results that are very different from a program utilizing statewide triggering, it should involve a fairly fine geographic disaggregation and should incorporate relatively high trigger thresholds. Even in this case, however, the simulations show that a substantial amount of benefit payments (more than 40 percent for the CUR trigger case) would be made during non-recessionary periods.

Because the substate data for Missouri are most detailed only for the years 1982 and 1983 and for the BEA economic area definitions, our simulations for that state were

TABLE III.5

SIMULATION RESULTS FOR FLORIDA ASSUMING 8.0% TUR, 2.0% IUR AND 2.8% CUR: 1981-1986

Area	Assumed Trigger Rate TUR: 8.0%	 IUR: 2.0%	 CUR: 2.8%
Statewide			
EB First Payments (1,000s)	141.0	137.2	137.1
Percent of EB First Payments During 1982-1983	88.5	100.0	94.7
Weighted Average TUR of EB Recipients	9.34	9.05	9.34
Number of EB Status Changes	6	2	3
6 BEA Economic Areas			
EB First Payments (1,000s)	129.4	136.9	146.7
Percent of EB First Payments During 1982-1983	93.5	88.5	82.6
Weighted Average TUR of EB Recipients	9.64	9.24	9.42
Number of EB Status Changes	22	21	19
20 Major LMAs and Balance of State			
EB First Payments (1,000s)	168.1	173.4	198.2
Percent of EB First Payments During 1982-1983	62.7	73.5	59.6
Weighted Average TUR of EB Recipients	10.32	9.88	9.67
Number of EB Status Changes	100	88	66

SOURCE: Generated from data provided by the State of Florida.

less extensive than those for Florida. Table III.6 presents a representative sample of our results. Probably the most important difference between the two states' results was that trigger rates for the IUR and CUR indicators could be set at much higher levels in Missouri and still yield reasonably large numbers of EB first payments. The 4.0 percent IUR used in the simulations in Table III.6 is still considerably below the rate specified in the current EB program, however. Because the data in Table III.6 refer only to the 1982-83 period it was not possible to determine whether benefits would have been more closely focused on recessionary periods under a substate program in Missouri than was the case in our Florida simulations.

c. Simulation Results with Hypothetical Data

The simulations discussed in the previous section all used actual data observed for the period 1981-86. In order to explore the consequences of adoption of a substate program more completely, we developed a more extensive "full simulation" model based on the Florida data for six BEA economic areas over the years 1981-85. This model permitted us to examine program performance in a variety of hypothetical circumstances. Summary results from that model are reported in Table III.7. More extensive results of the full simulation model are provided in Appendix A.

The three trigger indicators for the full simulation model together with the level of final payments under regular UI were predicted using a series of regressions of the area statistics on the national civilian unemployment rate over the period 1981-1985. These equations were then used to predict what the various substate data would have been under various assumed national economic scenarios. Before examining the results of two of these scenarios, it is possible to evaluate the accuracy of the full simulation model by using actual national unemployment rates for the five-year period 1981-85. The entries in Table III.7 labeled "Actual Data" report these results. A comparison of these results to those reported in Tables III.3 and III.4 shows that EB first payments

TABLE III.6

SIMULATION RESULTS FOR MISSOURI ASSUMING 9.0% TUR, 4.0% IUR AND 5.3% CUR: 1982-1983

Area	Assumed Trigger Rate TUR: 9.0%	 IUR: 4.0%	 CUR: 5.3%
Statewide			
EB First Payments (1,000s)	99.6	91.2	91.2
Weighted Average TUR of EB Recipients	9.72	10.14	10.09
Number of EB Status Changes	3	3	3
7 BEA Economic Areas			
EB First Payments (1,000s)	100.6	75.3	95.7
Weighted Average TUR of EB Recipients	10.56	10.42	10.21
Number of EB Status Changes	8	11	6

SOURCE: Generated from data provided by the State of Missouri.

TABLE III.7

SIMULATION OF EB FIRST PAYMENTS UNDER ALTERNATIVE RECESSION SCENARIOS (1,000s)

	Trigger Assumptions		
Assumed Recession	TUR 7.0%	IUR 1.6%	CUR 2.3%
Actual	182.8	200.5	234.0
Steep	186.0	188.5	231.6
Shallow	211.7	216.0	247.7
	8.0%	2.0%	2.8%
Actual	114.3	127.6	136.6
Steep	129.6	133.7	139.0
Shallow	131.7	152.5	143.0

SOURCE: Generated from data provided by the State of Florida.

estimated under the full simulation model come fairly close to those estimated using actual data in the BEA simulations. Although first payments with the CUR trigger do appear to be somewhat underestimated, the results are perhaps close enough to give some confidence that the full simulations based on hypothetical data provide a fairly accurate picture of relative program performance in a variety of circumstances.

Two hypothetical recessions were examined using the full simulation model. Under the first, the national unemployment rate was assumed to rise quickly to 12 percent, remain at that level for six months and then decline fairly quickly to the prerecession level. This hypothetical recession therefore resembled the actual 1982-83 recession. The hypothetical national unemployment rates assumed were chosen so as to average to the actual national figure over the 1981-85 period. In contrast to this "steep" recession, our second simulation assumed that the unemployment rate rose more slowly to 10 percent, but remained at that level for eighteen months before declining. The average unemployment rate over the five-year period was identical in this "shallow" case to the hypothetical pattern assumed in the steep case and to the actual national average. Hence, differences among the cases can be interpreted as arising from the differing patterns of the recessions.

The results in Table III.7 suggest that a substate program may generate somewhat larger caseloads under shallow recessions than under steep ones. The explanation seems clear. Under a sharp, steep recession practically all regions of a state experience high unemployment at the same time. There is little difference between a statewide and a substate program. With a shallow recession, however, intrastate variations become more significant and variations arising from the differences in the level of geographic aggregation become more important. This result was reflected also in the findings on benefit payments during 1982-83 (which included the bulk of the recession under all of the scenarios). In all of the cases examined about 5 to 7 percent more of benefits paid occurred outside of these years under shallow recessions than under the steep ones.

In order to examine whether substate EB benefits might be better targeted toward recessionary periods we ran several full simulations that employed a 120 percent trigger requirement similar to that mandated at various times under the regular EB program. Under this option an area not only had to meet the usual trigger thresholds but it was also required to have a trigger rate that exceeded 120 percent of the average level of the indicator during the same period in the previous two years. Summary results for these simulations are presented in Table III.8.

Institution of the 120 percent rule had a major effect on simulated substate EB caseloads. The figures in Table III.8 represent between 46 and 80 percent of the caseloads simulated in Table III.7. In general these reductions were about the same size as those achieved with the higher trigger rates reported in Table III.7. Hence the results offered some support for the concept (incorporated into the amended EB program) that the 120 percent restriction was equivalent to the requirement of about one more percentage point on trigger thresholds. Estimated reductions from employing a 120 percent requirement were largest for those cases which used the CUR as a trigger indicator--possibly because this trigger indicator is the one that is most likely to confound cyclical and structural unemployment. Even with the 120 percent rule, however, a significant fraction of the first payments made using a CUR trigger occurred outside of the recession years 1982-83. This finding might be contrasted to the results from using the higher trigger rates (see Table III.7), for which at least 90 percent of all first payments occurred during 1982-83 under all of the simulations examined.

TABLE III.8

SIMULATIONS UTILIZING THE 120 PERCENT RULE

Assumed Recession	Trigger Assumptions TUR 7.0%	 IUR 1.6%	 CUR 2.3%
	EB First Payments (1,000s)		
Actual	138.3	101.2	107.0
Steep	146.3	133.3	114.0
Shallow	141.1	109.5	158.9
	Percent of First Payments During 1982/83		
Actual	83	77	69
Steep	79	76	57
Shallow	80	72	49

SOURCE: Generated from date provided by the State of Florida.

C. CONCLUSIONS

In the first part of this chapter we used annual average, county-level labor market data for the entire nation to examine whether the magnitude and the pattern of substate differentials in labor market conditions provide much potential for improving the targeting of EB by triggering at the substate level. In the second part of the chapter we used more detailed, monthly data from two states, Florida and Missouri, to investigate how alternative substate program designs might affect the size and characteristics of the EB caseload. In this section we present our conclusions from these two analyses.

1. Differentiation in Substate Labor Market Conditions

Our analysis of the differentiation in labor market conditions among substate areas across the nation suggests a number of conclusions with respect to the potential size of a substate program (or a modified state program) and the potential improvement in targeting that might be achieved.

The use of a TUR trigger with a threshold of 8.0 percent, which was suggested in a recent legislative proposal, could produce a very large EB program in non-recessionary years. Applying such a trigger to annual average TURs at both the state and substate levels, we found that the areas that would have qualified for EB in 1985 and 1986 included between 38 and 45 percent of the nation's unemployed population. Raising the threshold to 9.0 percent reduced the potential program size and produced sharp differentiation between the state and substate triggers, with the substate trigger generating between two and three times the level of eligibility as the state trigger. In the recession year 1982, with a TUR threshold of 9.0 percent the state and substate triggers produced nearly identical levels of eligibility, but with markedly fewer persons likely to have been eligible than under the current state program.

These findings suggest two policy implications for setting trigger thresholds under a state or substate program. First, if an EB program is to be focused more heavily on cyclical than structural unemployment, the level of the trigger threshold alone may not provide sufficient differentiation between the two conditions. This appears to be even more true for a substate program than a statewide program. Second, a substate program may produce fewer eligible persons during a recession than might be regarded as appropriate for such circumstances. Supplementing substate triggers with state triggers (with lower thresholds) could provide the additional coverage desired.

With regard to the targeting efficiency of substate versus state triggering, two basic conclusions emerged from our analysis. First, we found that a substate trigger could produce markedly greater targeting efficiency than a state trigger during non-recessionary years, but that the potential improvement during recessionary years was small. Second we found that a substate trigger based on established metropolitan area designations and regional groupings of nonmetropolitan counties within each state would provide nearly the same targeting efficiency as a substate trigger based on individual counties.

We included in our analysis an alternative state trigger indicator that reflects the variability in substate labor market conditions. Theoretically, the use of such an indicator in a state triggered program could introduce some targeting gains without the administrative costs of a substate program. We found that this alternative state trigger produced program sizes that might be judged more consistent with an effective EB policy, but we found only negligible improvements in targeting. This finding may tell us something about the nature of variability in substate unemployment. While pockets of high unemployment, with rates significantly above the state average, may exist in many states, they tend to make a small contribution to the total number of unemployed persons in the state. This suggests that the most effective way to use a weighted state trigger may be as a supplement rather than an alternative to an unweighted trigger. A state could qualify for EB if its unweighted trigger equaled or exceeded a specified threshold or if its weighted trigger equaled or exceeded some higher threshold.

2. Simulations of Substate Triggering in Two States

Our simulation results suggest several general conclusions about the feasibility and desirability of implementing an EB program at the substate level. First, the results show that, at least for the states we chose, reasonably accurate data are available with which to appraise such a program. Not only did we find it possible to access these data, but we had relatively few problems with their quality. Of course, that does not mean that good data would be available in a manner timely enough for the actual operation of a substate program or that these data would be available in other states. But, on the whole, we believe that the data used here did permit a fair appraisal of a number of substate options.

Our second, more substantive, finding was that the actual choices of a trigger indicator and of trigger threshold levels proved to have important consequences for the estimated sizes of various types of substate programs. In Florida, especially, the distinction between measures of total unemployment and measures of insured or covered unemployment were quite large, and we found it necessary to adopt rather low trigger thresholds for programs that used the latter concepts. As with the current EB program, it appears that the design of any substate program must take into account recent declines in the number of UI claims and the relative sizes of those declines among the states.

We also found that the level of geographic disaggregation made some difference in our simulation results. Programs that were assumed to be based on large BEA economic area definitions appeared to offer only minor targeting advantages over programs that operate on a statewide basis. In both cases, EB benefits were found to be highly concentrated in recession years. Our other measures of targeting efficiency (e.g., the weighted average unemployment rate) were also quite similar between the statewide and substate options. Programs that operate on a finer level of geographic disaggregation (e.g., using MSAs in Florida) did seem to offer some additional targeting efficiency relative to statewide programs, and these did pay benefits to larger numbers of claimants in non-recessionary periods. These findings support the empirical results that we presented in the first part of the chapter. Our relatively high estimates of the number of times such a program would trigger "on" and "off" suggest that the administrative costs associated with such disaggregation could be quite high. Finally, our modeling of hypothetical recessions showed that the performance of a substate program can be affected by the pattern of a recession. Under a substate program long, relatively shallow recessions are likely to generate larger numbers of EB first payments than would short steep recessions. No matter what the shape of the recession, we found that a substate program would make significant numbers of first payments during non-recessionary periods and that this tendency was greatest when the CUR was used as a trigger indicator. Instituting higher trigger thresholds seemed to be more effective at focusing first payments on recessions than was the institution of the type of 120 percent requirement that has been used (often with significant controversy) in the statewide EB program.

IV. THE MEASUREMENT OF SUBSTATE LABOR MARKET CONDITIONS: ISSUES AND OPTIONS

Realization of the potential targeting gains described in Chapter III requires an ability to measure the labor market conditions confronting the target population at the substate level. In this chapter we examine issues relating to the choice of an appropriate indicator of labor market conditions, the definition of substate areas, and the availability of substate labor market data to produce trigger estimates for suitable substate areas. We conclude with an assessment of the implications for the achievement of improved targeting.

A. DEFINING AN APPROPRIATE INDICATOR OF LABOR MARKET CONDITIONS

The population to which the EB program is targeted consists of those individuals who have exhausted their UI benefits without finding suitable employment and whose continuing unemployment can be attributed in large part to an unusually weak labor market. An appropriate trigger indicator for any geographic level would measure the labor market conditions that account for the size of the target population in that area. The target population represents the survivors, in actuarial terms, of the insured unemployed. What we desire, therefore, is a measure of the strength or weakness of the labor market in which the insured unemployed are searching for employment.

Two quite different approaches to characterizing the labor market conditions faced by the insured unemployed have been suggested as the basis for an EB trigger indicator. These alternatives are reflected in prospective indicators of the following types:

- The unemployment rate in the labor market within which the insured unemployed are competing

- The actual re-employment experience of the insured unemployed, as reflected in exhaustion rates

The current trigger indicator and its major alternative in substate legislation introduced over the past several years--the TUR (described below)--are of the first type.[14] However, indicators of the second type are getting increasing attention in new legislative initiatives (e.g., H.R. 4595 and S. 2175).

An unemployment rate expresses the incidence of unemployment as a proportion of the labor force to which the unemployed belong. The labor force includes both the unemployed and the employed populations. For the purpose of an EB trigger, an exhaustion rate expresses the number of persons exhausting UI benefits as a proportion of the cohort or class of individuals with whom they began receiving unemployment compensation many weeks earlier. We discuss exhaustion rates first.

1. Exhaustion Rates

As a direct indicator of job search problems among the relevant population, the exhaustion rate has intuitive appeal as a potential trigger indicator. Furthermore, exhaustion rates are based strictly on the unemployed population and therefore do not confront the difficult problem of reconciling unemployment counts with independent estimates of the employed population, as required with unemployment rates. Nevertheless, while exhaustion rates possess obvious advantages over unemployment rates, there are at least two serious theoretical problems with the use of exhaustion rates to trigger extended benefits.

The first problem concerns the reference period of the exhaustion rate. The numerator includes the number of claimants receiving their final payment under regular

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[14] Strictly speaking, the current EB trigger, the IUR, is not a rate but a ratio.

UI. The denominator consists of the number of claimants who received their first regular UI payment 26 weeks earlier. The 26 week lag is chosen to correspond to the maximum potential duration of UI benefits in most states, so that the denominator will include the individuals whose benefit exhaustions are counted in the numerator. The exhaustion rate does not describe labor market conditions at a specific point in time; rather, conditions over the full 26 weeks contribute to the exhaustions recorded at the end of the period. The exhaustion rate may be characterized as representing a weighted average of the labor market conditions facing the EB target population over a period of six months, centered at least three months prior to the point at which the rate is calculated.

The second problem arises from two factors: (1) in most states an individual's maximum potential duration will depend on his or her base period earnings,[15] and (2) the time period over which an individual files against his or her benefit entitlement is frequently discontinuous (e.g., the individual may have had multiple spells of unemployment or have been unable or unavailable for work for some period). Consequently, the individuals who exhaust their benefits during a particular week will include some who received their first payment substantially more than six months ago and others who received their first payment more recently. Moreover, exhaustions from short benefit durations will be overrepresented because they occur with greater frequency than longer term exhaustions. Because of these discrepancies between the numerator and denominator, the estimate of the exhaustion rate will be biased, and the direction and magnitude of the bias will depend on the state's maximum potential duration provisions and the characteristics of its claimants.

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[15] Only 9 states have uniform potential duration.

Since the exhaustion rate does not represent a timely measure of labor market conditions and since it cannot be defined with precision, we do not view it as a viable trigger for a substate program.

2. Unemployment Rates

The Current Population Survey (CPS) the official survey for labor force statistics for the United States, utilizes standard definitions for measuring employment and unemployment to produce an unemployment rate that is comparable across areas--the total unemployment rate. As its name suggests, the TUR measures the labor market conditions for the entire civilian labor force. In contrast, the insured unemployment rate may be viewed as an attempt to characterize the labor market conditions of a specific segment of the total labor force: namely, those who are or would be eligible to receive unemployment insurance during a spell of unemployment. For reasons explained in detail in Appendix B, the IUR is not conceptually equivalent to the unemployment rate of the EB target population--i.e., the unemployment rate in the labor market within which the insured unemployed are competing and, we argue, the most appropriate unemployment rate for triggering EB. In particular, the numerator of the IUR is less inclusive and the denominator more inclusive than those of the most appropriate rate.

The numerator of the IUR excludes exhaustees, and therefore the IUR will understate the labor market hardship confronting the insured unemployed. The impact of this exclusion will vary with state UI laws and may also vary with the severity of unemployment. The excluded component will be relatively larger in states where fewer of the insured unemployed qualify for the maximum benefit duration. Such states would be penalized if extended benefits were triggered by the absolute value of the IUR. The excluded component may also be relatively larger when labor markets are weak, which would make the IUR less responsive than the theoretically appropriate rate. This relationship is too complex to assess without empirical analysis, however.

The denominator of the IUR includes not only those employed persons who would be eligible to receive unemployment compensation but a sizable number who would not be eligible. Moreover, the relative sizes of those components would vary from area to area, reflecting differences in state UI laws, labor force composition, and labor market structure. If extended benefits were triggered by the absolute value of the IUR, states and areas with relatively large numbers of employed persons who would not be eligible to receive UI components would be penalized. Despite these problems, the IUR has played a key role as a labor market indicator in its own right as well as the trigger for the current EB program.

An alternative to the IUR (and TUR) is the covered unemployment rate. The inclusion of exhaustees in the numerator brings the CUR closer than the IUR to the theoretical unemployment rate of the target population. Its denominator is the same as the IUR, however, so it still understates the unemployment rate of the target population, and the magnitude of the discrepancy will vary among states and areas.

While their relevance to the population that the EB program is intended to serve varies considerably, the TUR, IUR, and CUR are three potential triggers for a substate program. The following section explores the availability of the data needed to support these three alternative unemployment rates.

A fourth possibility, which the available data did not allow us to investigate, merits consideration. The most serious deficiency of the IUR relative to the theoretically appropriate rate lies in the overinclusiveness of the denominator, which varies substantially across the states, and would probably vary to some degree within the states as well. To address this problem would require adjusting the denominator in some manner to reflect potential eligibility for UI. The method of adjustment is not obvious and may not be feasible without additional data collection. Moreover, a cruc adjustment might be statistically but not politically acceptable. Further analysis of suc an option would be recommended if substate triggering is pursued.

B. DEFINING SUBSTATE AREAS

The rationale for implementing a substate program is to better target benefits t unemployed individuals in areas within the state that are experiencing weak labo markets, without triggering eligibility for the entire state. A critical task in designin a substate program that can achieve this goal is to define geographic areas that (1 approximate the relevant local labor market area (i.e., the area that contains jobs an most of the people working at those jobs), (2) are feasible units for data collectio and (3) are of sufficient size to ensure that estimates of labor market conditions d not exhibit excessive fluctuations. Consideration of these points raises a number o questions:

- Should there be a minimum area size, expressed as an absolute value or fraction of total state size (and what should be the measure of size)?
- How should area definitions relate to the current labor market area definitions used in the LAUS program?
- Should the substate areas exhaust the state?
- How should labor markets that cross state lines be handled?

In seeking answers to these and other questions we focused our attention on countie and county aggregates.

1. The County as a Basic Unit

For a number of reasons we must look to the county as the basic unit from which to construct substate areas. The county is the only substate unit which (1, provides an exhaustive disaggregation of state geography and (2) is widely used as the primary unit for the collection of substate economic, demographic, social, and health statistics.[16] The county is the basic geographic unit of the major substate area concepts used by the USDOL and the Census Bureau. Most importantly, the county is the smallest unit of geography for which even minimal labor market data are produced or potentially available on at least a monthly basis for all UI program jurisdictions. The county is thus the smallest unit of geography for which it would be feasible to obtain substate labor market data without introducing significant revisions to present employment and unemployment data collection procedures.[17]

Restricting substate area definitions to counties and aggregates of counties implies that in UI program jurisdictions which lack county divisions or their statistical equivalents, the data to support substate triggering would not exist. There are two such areas: the District of Columbia (D.C.) and the Virgin Islands. Since D.C. is itself part of a much larger labor market encompassing portions of two other states, the division of D.C. into substate areas would not be desirable in any event.

A rather different problem is presented by the New England states. Here the close proximity of central cities, among other factors, has led federal agencies to designate statistical units from aggregates of cities and towns rather than counties. Labor market data are still collected by county, but individual counties and county aggregates do not coincide with true labor markets to the same extent as in most other states.

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[16] Counties are the primary state divisions used by the Census Bureau. For states that do not employ county divisions, or where these divisions do not exhaust the state, county-like areas (called county equivalents) are developed by the state and the Census Bureau for general statistical purposes. These include independent cities in a number of states, parishes in Louisiana, and Census areas in Alaska. In Puerto Rico, county equivalents are defined in terms of municipalities. In the case of the District of Columbia and the Virgin Islands, no substate divisions are defined.

[17] Collecting data for geographic units that are not necessarily defined along county lines, such as Urbanized Areas, Labor Surplus Areas, and Job Training Partnership Act (JTPA) Service Delivery Areas, would introduce serious complications (and costs) to the collection of data (as discussed in USDOL, ETA, 1984).

Despite these examples where further disaggregation might be desirable, counties are generally too small to serve as individual substate areas. Several considerations may be cited. These points are illustrated with reference to Table IV.1, which presents statistics on the numbers of counties in the 50 states and the District of Columbia, and their breakdown into those that are incorporated into metropolitan areas and those that are not. The table also reports the size of the 1984 civilian labor force in the metropolitan and nonmetropolitan portions of each state, and the average size of the county labor force in each state, also by metropolitan and nonmetropolitan designation.

As prospective substate areas individual counties are simply too numerous. Equating substate areas with individual counties would imply over 3,000 substate areas. This amounts to a 60-fold increase over the current 53 triggers, and it could present a potentially great administrative burden (see Chapter V).

In addition to being too numerous, counties are generally very small. In Table IV.1 the nearly 2,400 nonmetropolitan counties have an average labor force size of only 11,000. Such a small size implies unemployed populations frequently numbering only in the hundreds. By contrast, the average metropolitan county has a labor force of 125,000 in size.

There is enormous variation in county sizes across the states as well as within states. The contrast between metropolitan and nonmetropolitan counties is striking. Within each group, however, the largest average labor force size is more than ten times the smallest (compare Arizona and West Virginia for metropolitan counties and Connecticut and North Dakota for nonmetropolitan counties).

TABLE IV.1

NUMBER OF COUNTIES AND SIZE OF 1984 CIVILIAN LABOR FORCE BY METROPOLITAN AND NONMETROPOLITAN DESIGNATION, BY STATE

State	Number of Counties and County Equivalents			1984 Civilian Labor Force (1,000s)		Average County Labor Force Size (1,000s)	
	Total	Metro-politan	Nonmetro-politan	Metro-politan	Nonmetro-politan	Metro-politan	Nonmetro-politan
Alabama	67	19	48	1,142	652	60	14
Alaska	23	1	22	116	129	116	6
Arizona	15	2	13	1,166	267	583	21
Arkansas	75	10	65	427	618	43	10
California	58	31	27	11,967	536	386	20
Colorado	63	10	53	1,385	322	139	6
Connecticut	8	6	2	1,545	127	258	64
Delaware	3	1	2	208	100	208	50
Dist. of Columbia	1	1	0	320	0	320	0
Florida	67	32	35	4,706	393	147	11
Georgia	159	38	121	1,770	990	47	8
Hawaii	5	1	4	360	113	360	28
Idaho	44	1	43	100	364	100	8
Illinois	102	26	76	4,679	925	180	12
Indiana	92	30	62	1,815	812	61	13
Iowa	99	11	88	606	81	55	9
Kansas	105	8	97	604	593	76	6
Kentucky	120	19	101	839	878	44	9
Louisiana	64	19	45	1,386	554	73	12
Maine	16	3	13	230	322	77	25
Maryland	24	15	9	2,105	139	140	15
Massachusetts	14	10	4	2,928	123	293	31
Michigan	83	20	63	3,539	820	177	13
Minnesota	87	16	71	1,496	733	94	10
Mississippi	82	7	75	318	756	45	10
Missouri	115	17	98	1,625	754	96	8
Montana	57	2	55	98	307	49	6
Nebraska	93	5	88	379	419	76	5
Nevada	17	2	15	413	83	207	6
New Hampshire	10	3	7	326	194	109	28
New Jersey	21	21	0	3,829	0	182	0
New Mexico	33	4	29	332	296	83	10
New York	62	35	27	7,359	730	210	27
North Carolina	100	25	75	1,739	1,294	70	17
North Dakota	53	4	49	119	208	30	4
Ohio	88	36	52	4,054	1,045	113	20
Oklahoma	77	14	63	942	606	67	10
Oregon	36	8	28	933	403	117	14
Pennsylvania	67	33	34	4,712	775	143	23
Rhode Island	5	4	1	441	49	110	49
South Carolina	46	12	34	889	591	74	17
South Dakota	66	1	65	69	277	69	4
Tennessee	95	26	69	1,488	735	57	11
Texas	254	49	205	6,467	1,386	132	7
Utah	29	4	25	553	168	138	7
Vermont	14	2	12	74	195	37	16
Virginia	136	51	85	2,057	784	40	9
Washington	39	11	28	1,688	366	153	13
West Virginia	55	10	45	301	468	30	10
Wisconsin	72	19	53	1,623	771	85	15
Wyoming	23	1	22	39	215	39	10
U.S. Total	3,139	708	2,364	88,306	25,196	125	11

SOURCE: Compiled from U.S. Bureau of the Census (1986).

NOTE: Metropolitan designations for the New England states are based on New England County Metropolitan Areas (NECMAs).

In metropolitan areas which encompass multiple counties, there is substantial commuting across county lines, which we discuss in the next section. In such cases the component counties cannot be regarded as individual labor markets.

In the next subsection we discuss the aggregation of metropolitan counties into substate areas that more closely correspond to labor markets. In the subsection that follows we discuss the aggregation of nonmetropolitan counties. In the final segment of this discussion of substate area definitions we consider the problem posed by labor markets that cross state lines.

2. Aggregating Metropolitan Counties

Restricting consideration to substate areas that can be built up from intact counties still leaves a variety of options for defining substate areas. We focused our review on options based on area concepts that are already firmly established as reporting units for substate economic and demographic statistics. The most prominent contenders are Metropolitan Statistical Areas (MSAs) and Labor Market Areas (LMAs). The Office of Management and Budget is responsible for the designation of MSAs while the Bureau of Labor Statistics (BLS) is responsible for maintaining LMA definitions. Both concepts reflect commuting patterns observed in the decennial census and other data collection programs, so they are demonstrably pertinent to the needs of a substate EB program.

An MSA is defined around a central city or Census Bureau-defined urbanized area of at least 50,000. The urbanized area must also lie within a metropolitan area of at least 100,000 in population. Outside of New England the MSA also includes the county in which the city is located, adjacent counties with at least half their population inside the urbanized area, and outlying counties whose commuting patterns and metropolitan character link them to the central counties (U.S. Bureau of the Census, 1986). In New England the area outside the central city or urbanized area is defined in terms of cities and towns rather than counties.

Metropolitan areas with populations exceeding one million may be divided into two or more component units known as Primary Metropolitan Statistical Areas (PMSAs). The combined areas are then redesignated as Consolidated Metropolitan Statistical Areas. The largest such area is centered around New York City and includes nine PMSAs.

The BLS, in cooperation with the State Employment Security Agencies, designates LMAs such that they geographically exhaust each state. All MSAs are recognized as major LMAs. Additional, small LMAs are designated around central communities of 5,000 or more in population. Adjacent counties (or cities and towns in New England) are incorporated into small LMAs if they meet specific criteria with respect to the size of their commuting flows. The remaining counties are classified as individual estimating areas, so as to exhaust the state. Since small LMAs and estimating areas are nonmetropolitan, we will consider them further in the next subsection.

Table IV.2 presents, statistics on the number of MSAs by state. The MSAs are divided into single county and multi-county. Metropolitan areas that cross state boundaries are reported as well, with a breakdown between those cross-state areas that have one county in the reference state versus those that have multiple counties in the reference state.

3. Aggregating Nonmetropolitan Counties

In addressing the problems posed by the designation of nonmetropolitan substate areas we become acutely aware of the varieties of substate structure that exist among the states. It is not surprising, therefore, that a number of different strategies have been proposed for dealing with nonmetropolitan counties. These strategies have included:

TABLE IV.2

NUMBER AND CHARACTERISTICS OF METROPOLITAN STATISTICAL AREAS
(JUNE 30, 1983), BY STATE

			Multi-County Metropolitan Statistical Areas				
					Cross-State MSAs		
State	Total Areas	Single County	Total	Within State	Total	Multi-County State Portion	Single County State Portion
Alabama	10	4	6	5	1	0	1
Alaska	1	1	0	0	0	0	0
Arizona	2	2	0	0	0	0	0
Arkansas	6	2	4	1	3	1	2
California	22	16	6	6	0	0	0
Colorado	6	5	1	1	0	0	0
Connecticut	11						
Delaware	1	0	1	0	1	0	1
Dist. of Columbia	1	0	1	0	1	0	1
Florida	20	13	7	7	0	0	0
Georgia	8	0	8	5	3	3	0
Hawaii	1	1	0	0	0	0	0
Idaho	1	1	0	0	0	0	0
Illinois	13	5	8	6	2	2	0
Indiana	14	6	8	5	3	2	1
Iowa	8	3	5	2	3	0	3
Kansas	4	2	2	1	1	1	0
Kentucky	7	1	6	1	5	3	2
Louisiana	8	3	5	5	0	0	0
Maine	3						
Maryland	5	1	4	1	3	1	2
Massachusetts	12						
Michigan	11	7	4	4	0	0	0
Minnesota	5	1	4	1	3	1	2
Mississippi	4	1	3	2	1	0	1
Missouri	6	2	4	2	2	2	0
Montana	2	2	0	0	0	0	0
Nebraska	3	1	2	0	2	1	1
Nevada	2	2	0	0	0	0	
New Hampshire	5						
New Jersey	11	3	8	5	3	1	2
New Mexico	3	2	1	1	0	0	0
New York	14	5	9	9	0	0	0
North Carolina	9	5	4	3	1	1	0
North Dakota	3	1	2	1	1	0	1
Ohio	16	3	13	8	5	1	4
Oklahoma	5	2	3	2	1	0	1
Oregon	4	2	2	2	0	0	0
Pennsylvania	15	7	8	6	2	2	0
Rhode Island	4						
South Carolina	7	2	5	3	2	0	2
South Dakota	1	1	0	0	0	0	0
Tennessee	6	0	6	2	4	3	1
Texas	28	17	11	10	1	0	1
Utah	2	1	1	1	0	0	0
Vermont	1						
Virginia	8	0	8	6	2	2	0
Washington	9	7	2	2	0	0	0
West Virginia	6	0	6	1	5	3	2
Wisconsin	13	8	5	3	2	0	2
Wyoming	1	1	0	0	0	0	0
U.S. Total	368	149	183	120	63	30	33

SOURCE: Compiled from U.S. Bureau of the Census (1986).

NOTE: Cross-state MSAs are counted in all states that they include, so the total areas represent total state portions. Metropolitan areas in the New England states are not defined along county lines, so classification into single and multi-county areas does not carry the same meaning as in other states.

- Excluding them from the substate program
- Combining all such counties into a single balance of state area
- Treating each such county as an individual substate area
- Utilizing existing small LMA and estimating area designations
- Attaching these counties to neighboring MSAs (or major LMAs)
- Creating regional subgroupings of these counties

We consider each of these strategies in turn.

Excluding nonmetropolitan counties from a substate program provides the simplest solution, but it may be the least feasible from a political standpoint. Furthermore, while it is true that over 75 percent of the nation's labor force resides in metropolitan areas, this percentage varies widely from state to state. In nearly a third of the states the nonmetropolitan labor force is nearly as large if not larger than the metropolitan labor force (see Table IV.1). In addition, seven of the 50 states have only one MSA each, and another four states have only two (see Table IV.2). A substate program that excluded nonmetropolitan counties would provide limited benefit to these states in return for whatever political problems it generated.

Combining all such counties into a single balance of state area would be more palatable politically than their complete exclusion, but in states with few MSAs the resulting substate program would differ little from the current state program. In general, this tactic is contrary to the objectives of a substate program--particularly when the nonmetropolitan counties are spread across a wide geographic area or are not contiguous. This might be acceptable if labor market conditions were homogeneous throughout the nonmetropolitan counties of each state. If conditions tend to be heterogeneous, however, nonmetropolitan residents would not receive the same benefits from a substate program that metropolitan residents receive.

Creating individual county areas is problematic on statistical as well as administrative grounds, as we have indicated previously.

Utilizing small LMA and estimating area designations would take advantage of the existing data collection system. However, these additional area designations provide little further aggregation of nonmetropolitan counties. Table IV.3 present statistics on LMAs and estimating areas by state. Most LMAs (1,647 out of 1,961) consist of single counties. Small LMAs are almost exclusively single county areas. In combination the 1,961 LMAs and 766 estimating areas sum to 2,727 areas, compared to the 3,139 counties and county equivalents reported in Table IV.1.

Attaching these counties to neighboring MSAs (or major LMAs) has some appeal, but there are significant problems as well. The expansion may weaken the already established areas since the counties in question did not meet the requirements for attachment to these areas in the first place. For counties located between LMAs or MSAs, moreover, the assignment to neighboring areas is far from obvious. Missouri commuting patterns suggest that the flows from outlying counties are too small to provide clear guidance in making these assignments.

Regional subgroupings address the desire for some aggregation of the nonmetropolitan counties without affecting the existing LMAs and MSAs and for this reason may represent the best alternative. One approach is to adapt an existing classification of counties that is both exhaustive and fairly coarse--namely, Bureau of Economic Analysis economic areas.[18] The nature of the adaptation is to designate the nonmetropolitan portion of each BEA economic area as a substate area distinct from the metropolitan portion. We utilized this approach in our analysis of targeting reported in

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[18] In defining these economic areas, which are designed to cover the entire United States, the BEA relies on commuting ties, metropolitan newspaper circulation data, and advice from state personnel familiar with the geography and economies of the areas (U.S. Department of Commerce, BEA, 1977).

TABLE IV.3

NUMBER AND CHARACTERISTICS OF STATE LABOR MARKET AREAS

				Multi-County Labor Market Areas				
						Cross-State MSAs		
State	Non-LMA Estimating Areas	Total LMAs	Single County LMAs	Total	Within State	Total	Multi-County State Portion	Single County State Portion
Alabama	0	57	52	5	4	1	0	1
Alaska	0	6	0	6	6	0	0	0
Arizona	3	12	12	0	0	0	0	0
Arkansas	32	38	35	3	0	3	1	2
California	12	36	29	7	7	0	0	0
Colorado	39	20	19	1	1	0	0	0
Connecticut	0	15	0	15				
Delaware	0	3	2	1	0	1	0	1
Dist. of Columbia	0	1	0	1	0	1	0	1
Florida	2	53	46	7	7	0	0	0
Georgia	10	119	111	8	5	3	0	3
Hawaii	1	3	3	0	0	0	0	
Idaho	27	16	15	1	0	1	1	0
Illinois	1	77	62	15	13	2	1	1
Indiana	12	62	53	9	6	3	2	1
Iowa	61	35	32	3	0	3	0	3
Kansas	69	32	30	2	1	1	1	0
Kentucky	2	106	101	5	0	5	3	2
Louisiana	0	53	48	5	5	0	0	0
Maine	0	30	4	26				
Maryland	0	14	11	3	0	3	1	2
Massachusetts	18	24	1	23				
Michigan	0	68	60	8	8	0	0	0
Minnesota	41	34	31	3	0	3	1	2
Mississippi	0	77	73	4	4	0	0	0
Missouri	64	37	31	6	4	2	2	0
Montana	42	14	14	0	0	0	0	0
Nebraska	66	25	23	2	0	2	1	1
Nevada	13	4	4	0	0	0	0	0
New Hampshire	20	11	1	10				
New Jersey	0	11	5	6	3	3	1	2
New Mexico	5	27	26	1	1	0	0	0
New York	0	40	32	8	8	0	0	0
North Carolina	1	76	66	10	9	1	1	0
North Dakota	41	11	10	1				
Ohio	0	64	51	13	8	5	1	4
Oklahoma	4	64	62	2	1	1	0	1
Oregon	11	20	17	3	2	1	0	1
Pennsylvania	0	40	26	14	12	2	2	0
Rhode Island	3	5	0	5				
South Carolina	0	41	38	3	1	2	0	2
South Dakota	53	13	13	0	0	0	0	0
Tennessee	3	72	67	5	1	4	3	1
Texas	47	185	174	11	10	1	0	1
Utah	6	21	20	1	1	0	0	0
Vermont	0	12	3	9				
Virginia	5	57	29	28	26	2	2	0
Washington	13	23	20	3	3	0	0	0
West Virginia	0	46	37	9	4	5	3	2
Wisconsin	29	37	34	3	1	2	0	2
Wyoming	9	14	14	0	0	0	0	
U.S. Total	766	1,961	1,647	314	162	64	27	37

SOURCE: Compiled from the Bureau of Labor Statistics directory of LMA definitions.

NOTE: Labor market areas in the New England states are not defined along county lines, so classification into single and multi-county areas does not carry the same meaning as in other states. In this table a New England LMA is counted as a single county LMA if it is contained within a single county, regardless of whether it fills the county.

the first part of Chapter III. Potential problems arise from the fact that BEA economic areas are generally defined around MSAs, frequently cross state lines, and tend to encompass large geographic areas. If we remove the MSAs and subdivide the remaining portions by state, the residual areas may be no more cohesive than alternative areas that could be designated after more focused research or identified by experts on the state economies. On balance, however, the BEA economic areas appear to represent a good starting point for designating nonmetropolitan substate areas.

4. The Problem of Cross-State Areas

Labor market areas that cross state lines present both technical and administrative problems for a substate program. Table IV.2 shows that 27 states contain MSAs that include portions in at least one other state.

Separating the state components may simplify the administration of a substate program, including the calculation of area triggers, but it will introduce a potential source of error into the estimates of these trigger indicators. Our analysis of commuting patterns, detailed in Appendix C, suggests that much of the error in estimating the employed population on the basis of place of work data can be attributed to the separation of cross-state areas into their state components and to the separation of consolidated metropolitan areas into their component PMSAs, which frequently lie in different states.

Maintaining the separate state components and separate PMSAs will entail accepting a certain level of error in the estimates of substate triggers for portions of cross-state labor markets. This error can be reduced by statistical adjustments (discussed in the next section) but not eliminated entirely, and in areas with changing population patterns the adjustments may require significant revision at each decennial census. On the other hand, combining the cross-state areas is likely to increase the administrative complexity of a substate program (see Chapter V) and may reduce the prospective gains in targeting if labor market conditions differ significantly among the different state components. We cannot make a general assessment of these trade-offs, however, as they depend on the specific circumstances of each area.

It is clear that the handling of cross-state areas has important implications for the effectiveness and feasibility of a substate EB program. What cannot be determined from our analysis is what the best solution may be in each case. Some loss of potential targeting gains, due to measurement error or to the combining of local labor markets, appears unavoidable.

C. AVAILABILITY OF SUBSTATE LABOR MARKET DATA

Information on local labor market conditions is both less available and less accurate than data that refer to conditions at the state or national level. At present, there are two sources of substate data which could be used to construct triggers for a substate EB program: (1) UI data used in administering the claims-taking process and (2) data generated under the LAUS program.

1. UI Program Data

Data on initial claims, continued weeks claimed, and first and final payments are generated as part of the administration of the UI claims taking process. The weekly count of the number of individuals filing a continued claim in the state is the basis for the estimate of unemployment used as the numerator in the trigger for the current EB program--the IUR. The employment component of the state's IUR (the denominator) is obtained from the Employment and Wages (ES-202) program, under which employers in covered industries are required to provide a count of the number of workers on their payroll.

If these data were used in constructing a substate IUR, there would be a severe consistency problem since the weekly counts of weeks claimed are obtained by place of residence (or, as is more often the case, place of filing), while the employment information refers to place of work.[19] This discrepancy could introduce substantial error into estimates of labor market conditions for areas with sizable net commuting flows.[20] For this reason we evaluated the feasibility of producing either of two alternative substate IURs as potential triggers: an IUR by place of work (i.e., with both the numerator and denominator defined on the basis of place of work) and an IUR by place of residence (i.e., with both the numerator and denominator defined on the basis of place of residence).

As shown in Table IV.4, constructing the IUR by place of work would require, in addition to the existing employment data, counts of weeks claimed by place of work, while the IUR by place of residence would require, in addition to the existing counts of weeks claimed, information on covered employment by place of residence. Since we are aware of no states that generate weekly counts of weeks claimed by place of work or produce weekly data on employment by place of residence, neither the IUR by place of work nor the IUR by place of residence could be constructed from currently

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[19] The error associated with the place-of-residence--place-of-work discrepancy in the IUR measure would be reduced by the use of larger areas, as an individual's place of residence would be more likely to coincide with his or her place of work. However, in aggregating the geographic areas to reduce data difficulties, one runs the risk of defeating the goal of a substate program: to target benefits more effectively to individuals in areas of high unemployment.

[20] Appendix C presents an analysis of the magnitude of the discrepancies between place of work and place of residence created by commuting across MSA lines. Even with the aggregation of counties to MSA components within state lines we find that in nearly one quarter of the areas the error in estimating the employed population on the basis of place of work data would exceed 10 percent.

TABLE IV.4

DEFINITION OF ALTERNATIVE SUBSTATE TRIGGER MECHANISMS AND CURRENT DATA AVAILABILITY

Alternative Trigger Indicators	Components		Data Source and Current Data Availability for Substate Areas	
	Numerator	Denominator	Numerator	Denominator
Insured Unemployment Rate (IUR) by Place of Residence	Weekly count of individuals filing a continued claim, by place of residence	Average monthly covered employment for the first 4 of the last 6 completed quarters, by place of residence	By-product of administration of UI system 18 states	Not available
Insured Unemployment Rate (IUR) by Place of Work	Weekly count of individuals filing a continued claim, by place of work	Average monthly covered employment for the first 4 of the last 6 completed quarters, by place of work	Not available	By-product of administration of UI system All states
Total Unemployment Rate (TUR)	Total unemployment for the week including the 12th, by place of residence	Total employment and total unemployment for the week including the 12th by place of residence	Prepared under LAUS program All states	Prepared under LAUS program All states
Covered Unemployment Rate (CUR)	Total covered unemployment for the week including the 12th, by place of residence	Total covered employment and total covered unemployment for the week including the 12th, by place of residence	Intermediate step under LAUS program All states[1]	Intermediate step under LAUS program All states[1]
LAUS-Based Insured Unemployment Rate (IUR)	Number of claimants certifying to unemployment for the week including the 12th, by place of residence	Total covered employment for the week including the 12th, by place of residence	Intermediate step under LAUS program All states[1]	Intermediate step under LAUS program All states[1]

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[1] Intermediate steps under the LAUS program are available, in theory, from all states. However, extensive modifications of existing computer programs would be needed in some states to obtain the data.

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available data.[21] An alternative to collecting data on employment by place ofresidence would be to use the residency-adjustment procedure developed under the LAUS program (discussed in the next section) to transpose employment by place of work to employment by place of residence. An alternative trigger indicator utilizing data adjusted in that manner is discussed below.

2. LAUS Data

Under agreement with BLS, each state produces state and local area labor force and unemployment statistics using the LAUS, multi-step "Handbook" estimation procedure (USDOL, BLS, 1979). The objective of the Handbook method is to build upon existing administrative information to obtain estimates of total unemployment for a state or area, comparable to what would be produced by a sample survey of households, but without the extraordinary expense that would be required to expand the CPS to that level.[22] To obtain an estimate of the TUR for states and local areas, the Handbook method uses counts of UI claims at the substate area level and estimates the unobserved components of total unemployment using relationships developed primarily from historical data. The estimates of total employment are derived primarily from data generated through the Current Employment Survey (CES), a survey of establishments in nonagricultural industries, and supplemented by estimates of employment for other components of the labor force. State-level CPS data are then used to control for estimation error in the Handbook estimates of the TUR.

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[21] Although not generally available, 12 states currently have information on county of work in their claimant files and could, with varying degrees of difficulty, utilize that information in constructing an IUR by place of work. Adding place of work information to the claimant files in the remainder of the states would be a significant undertaking, as it would require modifying existing data collection, processing, and storage procedures. This issue is discussed further below and in Chapter V.

[22] At its current sample size of 56,000 households, the CPS will support reliable annual estimates for all states and two metropolitan areas but will support reliable monthly estimates of unemployment for only eleven states and the two metropolitan areas. In order to obtain reliable monthly substate area labor market estimates from the CPS, the sample size for the survey would require a 20 to 50 fold expansion, depending on the area designations for which estimates are desired. As budgetary concerns have led to reductions of more than 10,000 households in the size of the CPS sample over the past nine years, such an expansion is highly unlikely. The current budget for the labor force component of the CPS is almost $19 million per year.

The accuracy of the TUR estimates constructed for the smaller local areas has been questioned for three reasons: (1) the requirement of forced additivity of all LMA estimates to the state total, (2) the likelihood that the Handbook method does not apply equally well to all substate areas, and (3) the reliance of the Handbook method on empirical relationships that are out of date and, in some cases, econometrically inappropriate (Czajka and Carr, 1981). One major source of error in the last category is the method of estimating the entrant and reentrant components of total unemployment, which relies on statistical relationships recorded in the 1950s and 1960s.

Because the TUR estimates are built up from components with varying degrees of reliability and, furthermore, varying degrees of relevance to the EB target population, it is useful to consider whether the LAUS program might support alternative substate indicators that are both more relevant and more reliably estimated. For example, by excluding the entrant/reentrant components of the Handbook method and the components that estimate unemployment and employment for noncovered workers, an estimate of the CUR is obtained. As noted above, this measure provides an estimate of unemployment for workers who are covered by the UI program, and, consequently, are the population covered by an extended benefits program. However, as also noted above, the CUR is not equivalent to the theoretically appropriate rate.

Alternatively, one could define a measure closer to the IUR that is used under the current EB program. That measure, which diverges further from the appropriate rate than the CUR, is constructed from the count of unemployed claimants by place of residence (a key input into the Handbook method) and the estimate of covered employment by place of residence, which is derived from the application of a residency-adjustment factor (based on historical relationships) to information on employment by place of work. We call this alternative trigger the "LAUS-based IUR." As indicated in Table IV.4, and in the discussion of the next section, it differs in several important respects from the IUR by place of residence that would be defined using administrative data.

The components of the TUR, CUR, and LAUS-based IUR are summarized in Table IV.4. Monthly LMA- and county-level estimates of the TUR are currently available for all states. Although the CUR and LAUS-based IUR are based on intermediate steps of the Handbook method, the survey respondents in several states indicated that deriving trigger estimates that involved such steps could require extensive modifications of existing computer programs.

3. Limitations of the Alternative Triggers and the Feasibility of Their Improvement

In this subsection, we briefly consider the data-related limitations of the alternative triggers and the feasibility of improving those measures.

a. The TUR, the CUR, and the LAUS-Based IUR

Although substate TURs are currently available under the LAUS program, and substate CURs could be produced with relatively little effort from intermediate steps of the Handbook method, these measures suffer from several limitations which are not easily resolved.

Accuracy of the Estimates for Substate Areas. The Handbook-based unemployment estimates are less accurate for substate areas than for the state as a whole because:

(1) there are additional estimation steps involved in generating figures for small LMAs,[23] (2) the national relationships that are the basis for some of the adjustments for the TUR and CUR are less likely to hold for smaller areas, and (3) the adjustment of employment data to a place of residence basis is a more significant factor for smaller areas since the likelihood that an individual lives and works in the same place declines as the size of the area is reduced (USDOL, ETA, 1984).

Periodicity of the Estimates. The LAUS program generates unemployment rate estimates each month for one week in the month--the week including the 12th. Respondents to our survey of state UI officials (described in Chapter V) indicated that the production of the LAUS-based triggers on a weekly basis would require significant additional resources (e.g., additional staff, new computer programs, and, in some states, additional computer hardware).[24] While the survey respondents for most states were unable to place a dollar estimate on those resource needs, the "ballpark" estimates ranged from two to five times the costs of producing the current monthly estimates. Those costs for 1988 ranged from about $50,000 to about $392,000 across the states, with an average cost of about $182,000.[25] Furthermore, weekly estimates would lose some accuracy relative to the monthly LAUS numbers because the state CPS data that play an important role in LAUS estimation would continue to be available only for the week of the 12th. Estimates for non-survey weeks would have to rely on the last set of CPS numbers.

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[23] For example, the Handbook method uses an estimate of covered employment obtained from a survey of establishments under the Current Employment Statistics (CES) program (also referred to as the BLS 790 program), and for areas in which the CES sample is not large enough to provide a reliable estimate, states may either implement their own sample of employers or use less accurate, synthetic estimation methods. At present, 40 states use synthetic estimation methods in calculating employment for one or more of the smaller LMAs within their state.

[24] The type of activities that would be required to support the production of weekly TURs include: the establishment of weekly claims data that correspond to the data currently prepared for the LAUS program (cited by the survey respondents in 46 states), the development of new computer programs (cited in 47 states), and the hiring of additional staff to handle the increased work load (cited in 48 states).

[25] Unpublished statistics on LAUS administrative costs provided by BLS.

Timeliness. The estimates produced under the LAUS program are generally not available until five to six weeks after the reference week (i.e., the week including the 12th) to which they refer. In only four states are the LAUS estimates available in less than five weeks. More timely estimates of LAUS-based triggers are unlikely to be feasible without significant reductions in the accuracy of the estimates.[26]

b. IUR by Place of Residence and IUR by Place of Work

In theory, a trigger based on UI administrative data would be a more accurate measure of local labor market conditions than a Handbook-based estimate since it would utilize actual program counts of employment and unemployment. It would also be available weekly and could be computed relatively soon after the end of the week for which the trigger rate refers, thus avoiding the concerns about the periodicity and timeliness of the Handbook-based triggers.[27,28] However, there are several limitations of the administrative data which reduce the reliability of the alternative IURs.

First, as noted above, a major source of error in an IUR based on existing data is the differing units of the observations for the numerator (unemployment by place of residence) and the denominator (employment by place of work). Although, the two alternative IURs--IUR by place of residence and IUR by place of work--avoid this source of error, neither measure is currently feasible without substantially increased data collection.[29] Clearly, the absence of some of the necessary data is a severe limitation to the use of these two measures as triggers for a substate program.

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[26] The five to six week time period is considered necessary primarily because of the need (1) to capture a complete count of claimants certifying to a week of unemployment (which requires waiting for claimants who file late and for interstate claims) and (2) to allow for delays in receiving information on employment from employers under the CES program (which is a key input in the estimate of total employment under the LAUS program).

[27] According to the survey of states, 47 states produce their administrative claim counts within 6 days after the end of the week to which they refer. However, as discussed below, the accuracy of the data as a measure of unemployment for the week is questionable.

[28] Although the information on unemployment used in calculating the IUR would be more timely, the employment information used in the IUR would rely on lagged data obtained under the ES-202 program. This issue is discussed further below.

However, even if those data were available, there would be limitations to the use of the IURs due to problems with the accuracy of the data which are available--unemployment by place of residence and employment by place of work.

Unemployment by Place of Residence. There are two primary limitations to the unemployment data:

(1) The data are based on the number of individuals filing a claim in the week subsequent to the reference week rather than the number of claimants who were actually unemployed during the reference week.

(2) Unemployment by place of residence is not available for all weeks in all states.

With the exception of the claims data produced for the LAUS program for the week including the 12th, administrative counts under the UI system are based on the date that the claims are taken, or, for payments, as of the date payments are made.[30] Correctly allocating claims to the week of unemployment to which they refer would require additional resources and would delay the availability of the IUR triggers for three to four weeks.

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[29] It is difficult to estimate the likely costs of making changes in the administrative counts that are currently produced because, as was noted by respondents in a number of states, such counts are produced as a by-product of running the UI system. Thus, there is not a discrete series of procedures and computer programs (as is frequently true for the calculations used in the Handbook method) which would need to be modified, rather changes in the entire system could be required.

[30] Under the LAUS program, procedures have been implemented to standardize the UI claims data used in the Handbook method so that the data are consistent with the concept and definition of unemployment used in the CPS. The resulting claims data represent the number of claimants, based on their county of residence, certifying to unemployment in the week including the 12th of the month (the CPS reference week), who have no earnings from employment in the certification week.

Only 18 states currently prepare weekly claim counts by county of residence for weeks other than the week including the 12th. With the exception of 2 states that prepare no weekly substate counts, the remaining states prepare the weekly administrative counts by county of filing. The states in the latter category report that to prepare the counts by county of residence would require modifications of existing data processing procedures. Estimates of the costs of such modifications ranged from "minimal" for states with fairly extensive automated procedures to "very expensive" for states with little or no automation of the administrative counts.[31]

Employment by Place of Work. As was true for the unemployment data, there are two primary limitations to the employment data by place of work:

(1) Lagged employment data is used as a proxy for current employment.

(2) There are errors in the place of work designation for some of the employment information.

As noted above, the employment data utilized in the IUR are based on data produced under the ES-202 program. Those data, which are submitted by employers on a quarterly schedule, are typically not available for use until five months or more after the end of a quarter.[32]

Although employers are required to report employment by county, employers with job sites in more than one county who meet certain conditions may report all of their employment within a state as if it were from a single county. Since reporting by actual county of work is mandatory in only 20 states, improving the place of work coding of the employment data must rely on voluntary compliance by the employers.[33]

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[31] In five states, the administrative counts of continued claims are obtained by manual counts in the local offices.

[32] This is also an issue for the state IUR, where employment is measured for the first four of the previous six quarters (i.e., the latest quarters for which data are available).

D. IMPLICATIONS FOR TARGETING

To achieve the targeting gains from substate triggering that were described in Chapter III would require substate labor market indicators with the same accuracy, periodicity, and timeliness as the current state level indicators. "Substate" presumes a level of disaggregation comparable to MSAs and some form of nonmetropolitan divisions. To the extent that these objectives could not be achieved, the expected gains in targeting would be diminished. In this chapter we have examined what appear to be the most feasible options with respect to potential substate labor market indicators and substate area definitions. Several conclusions follow.

Our review of the theoretical requirements of an EB trigger--i.e., as an indicator of the labor market hardship of the population at which the EB program is targeted--suggests that there is a significant gap between what the current trigger measures and what an ideal trigger would have to measure in order to maximize the effectiveness of EB targeting. This suggests that some improvement in targeting could be achieved even at the state level if this theoretical concept could be more effectively operationalized. However, the labor market indicators that can be constructed from data currently available, whether at the state or substate level, appear to offer fairly limited potential for improvement. Consequently the principal impact of changing the present trigger would be seen primarily in the level of labor market strength at which EB is triggered on and in the likelihood that states with low ratios of insured to total unemployment would trigger on.

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[33] The recently initiated BLS Business Establishment List project addresses the problem of multi-county employers and should lead to an improvement in the accuracy of the data. However, that project will also rely on the voluntary compliance of the employers.

Substate trigger indicators will be more susceptible than state level indicators to potential bias resulting from commuting patterns. This holds true even if substate areas are defined to coincide with the state components of MSAs. Statistical adjustments such as those used in the LAUS program can greatly reduce this bias--particularly in the years following a census--but such adjustments cannot eliminate all of the error that discrepancies between place of work and place of residence may create. This potential for bias could be reduced if areas were allowed to extend across state lines, consistent with the MSA definitions, and if large, adjoining metropolitan areas were consolidated. However, creating cross-state areas would add to the administrative complexity of a substate program, and consolidating adjacent areas would reduce the potential gains in targeting.

In two respects a substate program will be less responsive temporally than a state triggered EB program. Weekly calculation of substate triggers may be too costly to implement. Reliance upon monthly indicators will introduce a two to three week lag, on average, between changes in actual labor market conditions and changes in the indicators. Using LAUS-based indicators will add an additional four to five weeks between the period of observation and the availability of the indicators.

V. FEASIBILITY OF PROGRAM IMPLEMENTATION AND ADMINISTRATION

In addition to questions about whether program benefits would be targeted more effectively under a substate extended benefits program, questions arise as to the feasibility of implementing and administering such a program. In particular, is it possible to establish and operate a substate program that is equitable, effective, and affordable? In this chapter, we highlight a number of the challenges that would arise in administering a substate EB program, indicate the types of modifications in current data collection and administrative procedures that would be needed prior to program operation, and estimate the costs of implementing and administering one alternative substate program design.

Throughout this chapter, we assume that the substate program that is being considered defines substate areas around MSAs and "balance of state" areas that are based on BEA economic areas, and uses LAUS estimates of the TUR as the program trigger. We make the first assumption because of three of our earlier findings: (1) There is little improvement in the targeting of benefits under program designs using areas larger than MSA, (2) counties provide little additional targeting improvements over MSAs, and (3) counties do not adequately approximate local labor market areas. The second assumption is necessary since, without expensive new data collection efforts, the data collected under the LAUS program are the only uniformly available information on local labor market conditions.[34]

The chapter is organized as follows. Section A describes the data sources for the information presented in this chapter. Sections B and C focus on issues in the administration and implementation of a substate program, respectively. The final section

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[34] We focus on the TUR since that measure is already available for all MSAs.

(Section D) summarizes our findings with respect to the feasibility of administering and implementing a substate EB program.

A. DATA SOURCES

The analysis of the feasibility of administering and implementing a substate EB program is constrained by the wide variation among states in administrative processes and procedures, and the limited information currently available on those administrative systems. This chapter is based on information drawn from three sources: our survey of state UI officials; extensive in-person discussions with state and local UI officials in Ohio; and documents provided by UI officials in Florida, Louisiana, Missouri and Ohio.

1. The Survey of States

In order to obtain information on the current administrative activities in the states and their capacity to collect and use substate data, this project undertook a survey of the 53 jurisdictions under the UI program. The information collected in the survey provided input into our analysis of the administrative feasibility of a substate program, and guided the selection of the states that provided the historical data for our analysis of benefit targeting under a substate program (presented in Chapter III). The following information was collected for each state:

- What labor market information is currently collected at the substate level? For information that is not collected for substate areas, what would be required to extend current data collection efforts to obtain that information?
- For what substate areas are data currently compiled? Could the compilation of data be expanded to include other substate areas?
- What is the time lag for the compilation of the data? If the timeliness of the data is a problem, what would be required to advance the time table for data availability?

- How reliable is the information that is collected? If the reliability of the information is questionable, what would be required to improve its accuracy?
- Through what medium are the data currently available (e.g., reports, hard-copy forms, machine-readable files)? For data not currently available in machine-readable files, what would be required to compile the data in that form?

At several points in the survey we sought information on the costs of existing data collection and processing procedures, as well as on the costs of undertaking modifications to those systems. Although we expected that such questions would be difficult for the respondents to answer, we included cost questions in the survey since even limited information could be of use to the analysis of administrative feasibility.

A survey instrument was developed after reviews of currently available data and discussions with Maryland UI officials. After instrument drafts had been prepared and reviewed by USDOL, a pre-test of the survey was conducted with four state agencies. This pre-test led to improvements in the instrument's clarity and its completeness. A copy of the survey instrument, with summaries of the responses to the closed-ended questions, is provided in Appendix D.

In the course of the survey of states, respondents were also asked (in open-ended questions) for their assessment of (1) the viability of several data sources as the basis for substate triggers, (2) the administrative effort that would be required to initiate and maintain the collection of data needed in the production of several alternative triggers, if those data were not currently available, and (3) the overall feasibility of a substate EB program. Regardless of their particular perspective on the UI system (e.g., UI research staff, Labor Market Information staff, or data processing staff), the survey respondents raised many of the same concerns about the administration and implementation of a substate EB program. Many of those concerns are discussed throughout the remainder of this chapter.[35] Appendix Table D.1 provides a more complete summary of the issue raised by the survey respondents.

2. The Visit to the State of Ohio

In order to supplement the overview of the issues obtained from the survey o states, we met with state and local UI officials in Ohio. Our discussions in Ohio focused on the specific activities and resources that would be required to implemen and operate substate EB programs of alternative design. Prior to visiting Ohio we had reviewed UI program manuals and claim forms provided to us by UI officials in three other states: Florida, Louisiana and Missouri. We received additional documentatio during the Ohio visit (manuals from the four states are listed in the References). The remaining sections of this chapter draw from the survey of states, our discussions with the Ohio UI officials, and these program documents.

B. ADMINISTRATIVE IMPLICATIONS OF A SUBSTATE PROGRAM

In this section, we examine the administrative implications of a substate program. We begin with an overview of the administrative activities that occur under the current statewide EB program and the changes that would be needed in order to operate a substate program. We then summarize the assessment of the administrative feasibility of a substate EB program as reported by the respondents to our survey of states. Finally, we provide a rough estimate of the cost of administering a substate EB program.

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[35] In presenting the concerns raised during the survey, we indicate the number of states in which a particular issue was discussed. Because the issues were raised in response to open-ended questions, these counts of states should not be interpreted as indications of the number of states for which the issue is applicable, but rather as the number of states that explicitly mentioned the issue.

1. Overview of Administrative Activities

The administrative procedures used in the states to operate the current EB program vary along a number of dimensions--e.g., whether EB claims are filed in-person or by mail, the use of computers, the division of administrative functions between the state office and local offices, and the use of intermittent or part-time staff. As a result, it is not possible to provide a single description, applicable for all states, of the changes in administrative procedures that would be needed to operate a substate EB program. Furthermore, the required changes in each state's administrative procedures could vary considerably with the particular design of the substate program. Consequently, this section provides only a general overview of the types of procedural changes that might be needed to operate a substate program.

In organizing the discussion of the administrative functions under the EB program, and the likely impact of a substate program, we have identified six activities:

- Production of the trigger
- Identification and notification of potential claimants
- Establishing the claimant's eligibility and benefit amount
- Making claim payments
- Providing a system for appeals
- Processing interstate claims

We briefly describe the activities required at each of these stages under the current statewide EB program, and the implications of a substate program for those functions.

Production of the Trigger. Each state is required to collect the data necessary for the statewide EB trigger, calculate the trigger each week, and determine whether there will be a change in the state's EB status. Assuming that the trigger for the substate program was based on the monthly TUR estimates obtained under the LAUS program, extending the current EB program to the substate level would require little additional trigger-production efforts.[36]

Identification and Notification of Potential Claimants. If it is determined that a period of EB is to begin in a state, the state must search its claimant file to identify exhaustees who are potentially eligible for EB. The potential claimants are notified by mail and through newspaper advertisements of the beginning of a period of extended benefits and advised to report to the local claims office to apply for benefits, if they are still unemployed. Claimants are notified in a similar manner when EB triggers off in the state.

Under a substate program, potential claimants who satisfy the geographic requirements of eligibility (whether place of residence or place of work) would need to be identified and notified when a substate area triggered onto the program. The administrative burden of identifying potential claimants would increase with the complexity of the eligibility determination criterion and with the frequency with which the program triggered on and off. (Our simulation results, reported in Chapter III, suggest that a substate program would exhibit substantially more frequent status changes than does the statewide program.)

The increased complexity of a substate EB program might also require expanded public education efforts by the states explaining the program and the area(s) that had triggered onto and off of the program.

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[36] This outcome would be quite different if a non-LAUS-based trigger were to be used. Such trigger mechanisms would often require significant increases in data collection and data processing.

Establishing the Claimant's Eligibility and Benefit Amount. After an individual has filed for EB benefits within the local office,[37] several activities occur. First, an initial screening of the individual's eligibility for EB is completed. If the individual is determined to be eligible, a monetary determination of EB benefits is made and a benefit rights interview is conducted. That interview outlines the claimants rights and responsibilities under the EB program. The claimant's job prospects are then evaluated and classified as "good" or "not good." If the claimant's job prospects are determined to be "not good," the individual is referred to the local Employment Services office for registration and referral to "suitable work," as defined under the EB program.

Depending on the state, continued EB claim forms are filed in-person in the local office or by mail to either the state or local office. A primary activity involved in processing the continued EB claims is the monitoring of the claimant's active search for work, including the evaluation of the appropriateness and adequacy of the work search contacts made by the claimant, and the verification of those contacts.

The administrative burden of the eligibility determination process would be significantly greater under a substate EB program because of the need to determine and verify the area in which the claimant resided (if eligibility were based on place of residence) or worked (if eligibility were based on place of work), as well as the need to determine whether that area was in a period of extended benefits.

Making Claim Payments. States are required to pay benefits to the claimants in a timely manner, and to maintain accounting records that distinguish between EB payments and overpayments, and payments and overpayments from other UI programs.

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[37] The processing of initial EB claims that are filed against the state as an interstate claim are not necessarily handled in the same manner as a claim filed in person in the local office. In at least some states, a special interstate claims unit has been established in the state office to process claims filed against the state via local offices in other states.

A substate EB program would be unlikely to have any significant impact on the claim payment process.

Providing a System for Appeals. Claimants under the current EB program must be afforded the right to protest, request a redetermination of their claim, and appeal with respect to EB claims. The complexity of a substate EB program is likely to lead to more frequent requests for redetermination by claimants and employers, either because of confusion about the program or because of the resentment of perceived inequities under the program (discussed below).

Processing Interstate Claims. If an individual files a claim in a state other than the state in which his or her wage credits were earned, staff in the agent state (the state in which the claim is filed) must determine whether the liable state (the state in which the claimant earned his or her wage credits) is in an EB period, and, if it is, process the claim application and provide the claimant with a benefit rights interview and job prospect assessment. Thus, local office staff in all states must be aware of which states are in EB periods. The claim application is sent to the liable state for the determination of the claimant's eligibility.[38]

The processing of interstate claims would be substantially more complicated under a substate program since local office staff would have to (1) have the ability to determine the relevant substate area for each claimant (i.e., local office staff would need to be able to map the claimant's residential or work address into the appropriate substate area), and (2) have information at hand on the EB status of areas within all of the states.

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[38] Extended benefit payments to an interstate claimant are limited to two weeks unless both the agent and liable states are in EB periods (USDOL, ETA, 1989b).

2. Assessment of Administrative Feasibility from the Survey of States

The survey respondents in 29 states were of the opinion that a substate EB program would be quite difficult to administer effectively, with respondents in seven of those states labelling the program an administrative "nightmare." Specific administrative concerns that were raised include:

- The need to verify place of residence or place of work as part of the eligibility determination process (16 states).
- The increased data collection and data processing that would be required to calculate triggers for all of the areas within the state (if the trigger were other than the monthly TUR) (11 states).
- The increased record-keeping that would be needed to keep track of which areas (within their own state and across the remaining states) had triggered onto and off of extended benefits (8 states).
- The need to maintain accurate records of place of residence and/or place of work by substate area for a mobile population (8 states). These records would be needed for (a) the identification of potential claimants when a substate area triggered onto extended benefits and (b) the processing of interarea and interstate claims.

In addition to the purely administrative components of these activities, the survey respondents noted that the record-keeping and verification requirements of a substate program would introduce increased opportunities for fraud and error, raising questions about the integrity of a substate program. In particular, respondents in 21 states noted that, if eligibility were determined by the claimant's place of residence, obtaining an accurate address would be difficult since some claimants might move to an area that had triggered onto extended benefits or, more likely, use a mailing address from that area in order to collect extended benefits.[39] Respondents in five states noted that verification of street address would be a significant problem which could not be easily solved. Limiting the eligibility of persons who move into an area that had triggered on might reduce the potential changes of address, but it would not eliminate the need for verification of the initial street address.

Although several respondents regarded place of work as less susceptible to manipulation by the potential claimants, it is not without its own problems. Determining place of work for claimants with multiple employers or multiple job sites, or claimants who worked for employers with multiple job sites, could be quite difficult. Furthermore, assuming that the TUR was used as the substate trigger, defining individual eligibility on the basis of place of work would be inconsistent with the basis by which areas would be determined to be eligible to pay benefits--unemployment among those residing in the area.

With respect to the need to keep track of which substate areas had triggered onto and off of the program, respondents in eight states foresaw the potential for frequent errors in the eligibility determination process. One respondent reported that her state had tremendous difficulty in keeping up with which states had triggered onto extended benefits, resulting in a large number of overpayments under the statewide EB program.[40] In her opinion, the record-keeping needed for a substate EB program would be much more complicated than that under the current EB program and, consequently, more likely to lead to overpayments.

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[39] It is our understanding from discussions with the survey respondents that the place of residence information included in existing state claimant files is frequently based on the claimant's mailing address (i.e., the address to which the benefit payment is mailed). In order to operate a place-of-residence-based substate program, information on both mailing address and street address would be required.

[40] The difficulties associated with keeping track of areas that have triggered onto and off of extended benefits under the state EB program were compounded by frequent delays in the availability of the trigger information, according to survey respondents in several states.

Although not strictly simply an administrative issue, survey respondents in a number of states expressed concern about the perceived equity of the distribution of benefits among claimants and among areas under a substate EB program, and the implications of those perceptions for program administration. Respondents in nine states anticipate considerable political problems associated with defending the fairness of an extended benefits program involving differential treatment of areas within the same state. Furthermore, the respondents in 24 states maintained that, since individuals frequently live and work in different areas, the issue of program equity would arise with respect to the differential treatment of individuals within the same area. If benefit payments were based on place of work, then eligibility could vary for claimants who lived in the same neighborhood. Similarly, if place of residence determined eligibility, workers laid off from the same plant and residing in different areas would not be treated equally. The respondents felt that such occurrences would impinge on the public understanding of the program, and, consequently, could lead to serious public relations problems for the entire UI system. At a purely administrative level, confusion about the program and perceptions of inequities would be expected to lead to increases in complaints, ineligible filers, and appeals.

3. Estimates of the Cost of Administering a Substate EB Program

Because of the expected burden of administering a substate EB program, respondents in seven states expressed concern about the administrative cost of the program, which they believed would be greater than that under the existing statewide EB program. In particular, respondents in two states were concerned that a substate program would require increased manual review of claims, thus conflicting with the shift over the past decade towards the automation of the claims process. Furthermore, as was noted in our discussions in Ohio, the procedures for verifying place of residence or place of work would likely require more highly skilled staff than currently are involved in the claims-taking process.

In this section, we derive rough estimates of the additional costs of administering a substate EB program relative to the administrative costs of the current statewide program. Our estimates draw on existing data on UI administrative funding, information gleaned from our discussions with state UI officials, and selected findings from our simulation model. However, in constructing the cost estimates it was also necessary to make some arbitrary assumptions about the order of magnitude of the impact of a substate program on particular administrative functions. We have, we believe, been relatively conservative in our assumptions about those impacts. Nevertheless, it is important to note that substantially different estimates can be obtained by varying those assumptions.

Before presenting the cost estimates, we briefly describe the substate program design for which we have derived cost estimates, and the data that underlie our estimation framework.

Assumptions About the Design of the Substate EB Program. Since, as noted above, the complexities that arise in administering a substate program vary under alternative program designs, we must base our estimates of administrative costs on a specific substate program design. Specifically, we assume:

(1) The TUR is the substate trigger indicator

(2) Substate areas are defined on the basis of MSAs and non-MSA "balance of state" areas

(3) Individual eligibility for substate EB benefits is determined by place of residence

(4) The duration of benefits is fixed and equal in length to that under the current EB program

(5) The substate EB program replaces the current statewide EB program

As noted in the introduction to this chapter, the first two assumptions are guided by our findings with respect to benefit targeting and the availability of the data needed to support alternative trigger indicators. These assumptions imply significantly lower costs than program options requiring new data collection or finer substate area divisions. The third assumption is made to place individual eligibility on the same basis as the trigger indicator for the area, i.e., place of residence. (This basis for eligibility is also consistent with that used for other USDOL programs that operate on a substate basis, e.g., JTPA.) The final two assumptions are made in order to simplify the process of obtaining cost estimates.

The Data Underlying the Estimates. State UI administrative expenses are federally financed, with the funds allocated according to each state's workload (i.e., the volume of claims processed and benefits paid), and the cost of the staff needed to process that workload. The framework for the allocation of administrative funds, referred to as USDOL's "cost model," builds up estimates of each state's workload from the state's minutes-per-unit (MPU) time factor for each unit of work to be performed (e.g., processing an initial claim, continued claim, or appeal). These MPU estimates, along with information on personnel and nonpersonnel costs (e.g., rents, supplies, equipment, etc.) projected for FY 1990, are the data which underlie our estimates of the additional costs associated with administering a substate EB program. A summary of the data that are used to support our cost estimates is provided with our estimates of implementation costs in the next section.

Additional Administrative Costs of a Substate EB Program. In estimating the additional administrative costs associated with a substate EB program, we divide the costs into the increased costs associated with processing a substate EB claim relative to a claim under the current statewide EB program (Table V.1), and the costs associated with the additional claims that would be expected under a substate program (Table V.2). We estimate these costs for the period FY 1981 to 1986, the same time period used in our simulation model for Florida.

As shown in Table V.1, we estimate the increase in costs for each of the administrative activities that is expected to be affected under a substate program. These activities are:

- Determining and verifying the claimant's eligibility for benefits under the substate program
- Handling the expected increase in appeals
- Handling the expected increase in ineligible filers
- Monitoring the on/off status of the intra- and interstate areas
- Handling the more frequent triggering on and off of EB periods.

Based on our assumptions as to the magnitude of the impact of a substate program on these activities, we estimate that the additional administrative costs over the period FY 1981-86 would have been $31.9 million, or $6.39 per EB first payment.

The estimate of increased administrative costs per EB first payment is then used in Table V.2 to estimate the administrative costs associated with the expected increase in program size under a substate program. We assume that a substate program would have produced a 15 percent increase in EB first payments over the period FY 1981-86. This outcome lies within the range of our simulation results in Florida with a TUR substate trigger. As shown in the table, the total administrative costs per EB first

TABLE V.1

ESTIMATE OF THE ADDITIONAL COSTS OF ADMINISTERING
A SUBSTATE EB PROGRAM, ASSUMING NO CHANGE IN PROGRAM SIZE, FY 1981-86
(FY 1990 PROGRAM DOLLARS)

Activity	Assumption	Estimate of Increased Costs for FY 1981-86	Estimates of Cost Per EB First Payment FY 1981-86
Determining and verifying the claimants' eligibility	MPU for initial EB claim is 10.0% higher than under current program	$13,666.000	$2.73
Handling the expected increase in appeals	Percentage of initial EB claims that result in appeals increases 10.0%	$986,000	$0.20
Handling the expected increase in ineligible filers	Non-monetary determination for initial EB claims increase by 10.0%	$1,774,000	$0.35
Monitoring the on/off status of the intra- and interstate areas	One-fourth staff year per state per year (plus NPS costs)	$6,520,000	$1.30
Handling the more frequent triggering on/off of EB periods	One staff month (plus NPS costs) for each change in status	$9,004,000	$1.80
Total		$31,949,000	$6.39

NOTES: See notes at end of Table V.3.

TABLE V.2

ESTIMATE OF THE COSTS OF ADMINISTERING THE ADDITIONAL WORKLOAD UNDER A SUBSTATE EB PROGRAM, FY 1981-86 (FY 1990 PROGRAM DOLLARS)

Projected Increase in EB First Payments under a Substate EB Program, FY 1981-86 (Based on Simulation Results for Florida)	749,669
Administrative Costs Per EB First Payment	
Administrative Costs Per EB and Regular UI First Payments, FY 1981-86	$139.93
Additional Administrative Costs Associated with Substate EB Program per EB First Payment, FY 1981-86	$6.39
Total	$146.32
Total Increase in Administrative Cost for Additional EB First Payments under a Substate Program, FY 1981-86	$109,694,000

NOTES: See notes at end of Table V.3.

payment would increase from about $140 under the statewide EB program to $146 under the substate EB program. With a projected increase of 750,000 first payments over the period FY 1981-86 under a substate program, the total increase in administrative costs for the additional caseload under the substate program would have been $109.7 million for FY 1981-86 (in FY 1990 program dollars).

Based on our estimates of these two components of increased administrative costs under the substate program design described above, the total increase in administrative costs over the six year period would have been about $141.6 million, for an average increase in costs of about $23.6 million per year.

C. IMPLEMENTATION OF A SUBSTATE EB PROGRAM

Because of the wide variation that exists among states in their administrative processes and procedures (including the types of data that are collected and compiled, and the degree of automation), it is possible that some states could implement a substate EB program with only minor changes of their present systems, while other states would have to undertake extensive modifications. In this section, we present a profile of the specific steps that would be required to implement a substate EB program, review the issues raised in the survey of states with respect to program implementation, and, finally, assign a rough dollar figure to the resources needed to set up a substate program.

1. Implementation of a Substate EB Program in Ohio

Although the steps that would be required to implement a substate EB program would vary from state to state, it is useful to examine in detail the steps that could be required to implement a substate program in a single state--Ohio. In our discussions with Ohio UI officials, we focused on three issues:

- What steps would be required to set up a substate EB program in Ohio?

- How long would it take to implement those steps?
- What resources would be required for implementation?

The UI officials in Ohio identified seven steps that would be needed to implement a substate program: (1) revise existing forms and, possibly, prepare new forms; (2) establish and document new procedures for program operations; (3) provide staff training; (4) expand data storage; (5) modify existing computer programs and create new programs; (6) modify the accounting and benefit payments systems; and (7) educate employers and, more generally, the public about the program. We consider each of these steps, and the resources and time period required for their implementation, in turn.

Prepare Forms. The Ohio officials noted that it was likely that several forms currently used in operating the regular UI program would have to be revised to include the information needed to determine program eligibility. For example, to obtain information on the claimant's place of residence or former place of work, which would be needed to operate a substate program, claimant application forms and/or employer separation notices would have to be amended to include street address of residence or work site.[41] At present, Ohio, like many other states, collects information on the claimant's mailing address, while a place-of-residence substate program would require street address to be added to the file. In addition, the forms that would need to be used in verifying place of residence or place of work would have to be developed.

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[41] Another option for obtaining information on the claimant's place of work would be to require that this information be included in the employer's wage report. This option was viewed as politically infeasible in Ohio since wage reporting is a very new process in the state, making it difficult to change procedures (particularly in a manner which would substantially increase the burden on employers).

In Ohio, changing existing forms and creating new forms are very time-consuming processes, primarily because of regulations regarding the printing of state documents. The UI officials with whom we spoke indicated that this part of the implementation process could take from six months to one year.

Establish and Document New Procedures. Because of the expected complexity of a substate EB program, the establishment of simple, comprehensive procedures for operating all aspects of the program is viewed as critical to the successful administration of a substate program. Well-established procedures are especially important for aspects of the program that would be handled at the local office level, since, during periods of extended benefits, local offices often employ intermittent workers who receive little or no formal training. For the same reason, manuals which provide detailed, step-by-step instructions for carrying out the procedures would need to be prepared and distributed.

Under a substate program, the primary activities for which new procedures would need to be established are: (1) the determination of eligibility by place of work or place of residence, (2) the verification of the claimants place of residence or place of work, and (3) the processing of interarea and interstate claims.

Train the Staff. Since the procedures for determining eligibility, verifying place of residence or place of work, and processing interarea and interstate claims would be new to state and local office staff, staff training would be required for the effective operation of a substate EB program. This training would be expected to take from two to three months. Because of the reliance on intermittent staff to handle the increased workload during a period of extended benefits, staff training would also be required immediately prior to periods of extended benefits.

Expand Data Storage. Any new information that is needed to operate the substate program (such as the claimant's street address or place of work) would need to be added to existing data files.[42] Although this is a relatively straightforward procedure, Ohio has had trouble with computer capacity when operating the regular UI program, and there was some concern among the UI officials that significant expansion of the data bases could create a need for additional computer facilities.

Modify or Create Computer Programs. Existing computer programs would need to be modified to access and utilize the new claimant information collected for the substate program, as well as to process information by area within the state. This would include programs for identifying potential claimants under a substate program, processing initial and continued extended benefit claims, and determining the monetary value of the benefit payment. In addition, depending on the number of substate areas involved, new computer programs might be written for procedures which are currently done manually, such as calculating the trigger and determining whether a particular area has triggered onto or off of extended benefits.

Although the changes that could be required in data processing are not viewed as extensive in Ohio, severe staffing constraints would slow the implementation of a substate program. Recent staff reductions have left the data processing staff in Ohio with a heavy workload, making it difficult to implement changes within a short time frame. Without additional staff, the changes in data processing required to operate a substate program could take up to one year to implement.

Modify the Accounting and Benefit Payment Systems. Since the accounting and benefit payment systems in Ohio are highly automated and centralized, it was felt that the modifications required for implementing a substate program would be relatively minor and could be completed within two to three months.

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[42] If place of work is needed for all employers, rather than just the separation employer, a significant expansion of the data base and data processing procedures could be required.

Educate Employers and the Public. Because of the expected complexity of a substate program, the distribution of benefits under such a program could be perceived by employers and potential claimants as inequitable and confusing, leading to a loss of support for the UI system. Consequently, educating employers, claimants, and the general public about the rules and regulations of the substate program would be an important part of the implementation process. This education process would be expected to take about one year.

Summary. Overall, the Ohio UI officials believed that it would be possible to implement a substate program in their state in approximately one year, but that this would require significant adjustments. For example, other UI activities would have to take a lower priority (i.e., be postponed until after the implementation of the substate program). Furthermore, the steps required to implement a substate program would be a significant burden on the UI system that exists in Ohio, and they could not be completed without hiring additional staff.

2. Concerns About Program Implementation from the Survey of States

The findings from the survey of states suggest that a large number of states could require significant modifications of their administrative system to implement a substate EB program. Respondents in 37 states expressed concern about the extensive changes that would be required in their manual and automated processes and procedures to implement a substate EB program. Several specific issues were raised:[43]

- Existing data collection and data processing systems would have to be expanded and modified to capture and utilize the information needed to calculate the substate triggers and to determine a claimant's eligibility (6 states).

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[43] The concerns about the need for expanded data collection and data processing to support the calculation of the substate triggers disappear if the TUR is used as the trigger.

- Existing data storage systems (9 states) and data processing systems (15 states) would need to be expanded and modified to permit the calculation of substate triggers, the identification of potential claimants by substate area, and/or the determination of program eligibility.

- Existing benefit payment and accounting systems would need to be modified (1 state).

Overall, the respondents in 19 states believed that the implementation of a substate EB program could have significant cost implications, particularly because of the need for large increases in staff and the need to modify their data processing systems. The latter, particularly in states with more limited automation, was viewed as a time-intensive process.

3. Estimates of the Costs of Implementing a Substate EB Program

While the overview of the steps that would be required to set up a substate program in Ohio provide a useful profile of the implementation of a substate program, it must be remembered that the implementation process could differ substantially from state to state. For example, the data processing needs associated with implementing a substate program are likely to be more significant for states with less extensive automation of their UI system than exists in Ohio. For such states, the costs of implementing a substate program are likely to be higher, and the necessary time frame longer, all else equal.

In estimating the cost of implementing a substate EB program (described in Table V.3), we assume that the majority of states would require a 25 percent increase in benefits staff (i.e., staff involved in claims activities) over a one-year period. However, for the 15 states in which the survey respondents expressed concern about the need to modify their data processing systems in order to operate a substate program, we assume

TABLE V.3

ESTIMATE OF THE COSTS OF IMPLEMENTING A SUBSTATE EB PROGRAM (FY 1990 PROGRAM DOLLARS)

Activity	Assumption	Estimate of Increased Costs, FY 1990 Dollars	Annual Cost, Amortized Over 20 Years at 10% Interest Rate	Estimate of Cost Per Substate EB First Payment, FY 1981-86	
				All First Payments	Net Additional First Payments
Add information needed for place of residence eligibility (i.e., add street address in addition to mailing address) to forms, data base, and programs; develop procedures, programs, and manuals for operating the program	Significant increase in staff over a one-year period for 38 states and over a two-year period for 15 states (assume 25.0% of benefits staff plus NPS costs for one year)	$203.443,00	$23,896,000	$24.95	$191.25

SOURCES: USDOL/ETA, "Unemployment Insurance Base Planning Targets, FY 1990." Washington, DC: U.S. Department of Labor, 1989c; U.S. House of Representatives, Committee on Ways and Means. Federal-State Unemployment Compensation System. Washington, DC: U.S. Government Printing Office, September 1988.

NOTES: Assumptions--Trigger rate = TUR; Area definition = MSAs and balance of sta[illegible] Eligibility criteria = place of residence; Interaction with existing statewide EB prog[illegible] = substate program replaces the state program.

Data underlying the estimates:

MPU for initial claim, FY 1990 =	52.335
MPU for non-monetary determinations, FY 1990 =	46.1
MPU for appeals - weighted average of MPUs for higher and lower appeals, FY 1990 =	330.7
- Assumes higher and lower order appeals of EB initial claims occur in same proportion as in workload allocations	
Number of EB first payments, FY 1981-86 =	4,997,796
Number of EB initial claims, FY 1981-86 =	6,525,953
Number of appeals on EB claims, FY 1981-86 =	74,500
Number of EB non-monetary determinations, FY 1981-86 =	961,486
Benefits staff, staff years, FY 1990 =	15,504
Personnel services (PS) costs, FY 1990 =	$33,856
Nonpersonnel services (NPS) costs, FY 1990 =	$7,149
Average work hours per year, FY 1990 =	1,708
Average PS and NPS cost per minute, FY 1990 =	$0.40
Total administrative costs per EB and regular UI first payments, FY 1981-86 =	$139.93

that the implementation of a substate program would require an additional year (i.e., implementation would require a 25 percent increase in staff for a two-year period). These assumptions yield an estimate of total implementation costs of $203.4 million, which, when amortized over a 20 year period, implies an annual cost of $23.9 million. For the six-year period FY 1981-86, the implementation costs represent about $25 for each projected substate EB first payment or $191 for each first payment added by a substate program (i.e., over and above the first payments actually made under the statewide program during that period).

D. SUMMARY

Although the fundamental concept of a substate EB program may seem clear, there are numerous ways to design such a program, and each has different implications for the administration and implementation of the program. For example, alternative designs can differ substantially in their data and record-keeping requirements--e.g., in the needed geographic detail and periodicity--and in their need for staff resources. Furthermore, the implications of a particular design element may depend on how it is combined with other elements. For instance, many of the administrative and implementation concerns raised by the respondents to the survey of states become increasingly important with diminishing area size, but would be less severe with fewer, larger areas. Consequently, the implementation and administrative costs (and therefore feasibility) of a substate EB program depend heavily on the overall design of the program.

In estimating the costs of implementing and administering a substate program, we have assumed that the program would use relatively large area definitions--MSAs and balance of state areas--and be triggered on and off by the TUR estimates that are produced under the LAUS program. Under these and several other design assumptions, we estimate that the share of amortized implementation costs plus the additional operating costs of a substate EB program (relative to the statewide EB program) over the period FY 1981-86 would have been $285 million. On a per claimant basis, therefore, the "price" for each net additional EB first payment issued under a substate EB program for that period would have been about $380 in added administration and implementation costs.

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APPENDIX A

DESCRIPTION OF THE SIMULATION MODELS AND SAMPLE OUTPUT

A. DESCRIPTION OF THE MODELS

The simulation results reported in Chapter II were generated using a number of models based on substate area data from Florida and Missouri. In this appendix we describe the two most important of these models: (1) the Full Simulation Model, and (2) the MSA Model. Since the data from Florida were more complete than those from Missouri, both of these models are based on the Florida data. The models use monthly data and generate monthly predictions. The Full Simulation Model covers the period 1981-85, whereas the MSA Model also includes monthly data for 1986. Both models were developed as LOTUS spreadsheets.

1. The Full Simulation Model

As described in Chapter III, the Full Simulation Model was developed for the six BEA areas in Florida. The only input required for this model is a monthly series of actual or hypothetical national unemployment rates for the period 1981-85. Three such input series were used in our analysis--the actual data, together with the hypothetical data for the "steep" and "shallow" recessions described in the text. Generating other recession scenarios is a simple matter.

Once the assumed national unemployment rates have been input into the model, the program uses regression equations for each of the BEA areas to predict area values for the TUR, the LAUS-based IUR, the CUR, and EB first payments. These predictions should be interpreted as being seasonally adjusted, since monthly dummy variables were included in the regressions. It seems likely that some such seasonal adjustment would be included in an actual substate program.

Assumed trigger rates for the TUR, IUR, and CUR are used, together with the predicted values of these trigger indicators, to determine each area's trigger status in each month. For the first three months, the model simply compares the indicator to the assumed trigger rate to determine whether the area is "on". After this start-up period, the program then assumes that when an area comes on, it must stay on for a least three months. Once an "off" status has been recorded, the area must remain of for at least three months.

For each of the three trigger indicators the output from the model includes the number of months during each year a given area is triggered on, estimated substate EB first payments during each of those periods, and the total number of changes in EB status (from "on" to "off" or vice versa). Some of the summary output measures reported in the text also appear in these output tables. A sample of the model output is reported in Tables A.1 - A.6.

2. The MSA Model

The MSA Model simulates a substate program for the 20 MSAs in Florida. This version of the model does not contain a "Balance of State" area, although the simulations reported in Chapter III do contain such an area. For these reported results, simulations for that area were done separately and combined with those from the MSA model. Generally, the Balance of State area included about 10 percent of the EB first payments under the various substate options simulated.

The MSA model operates in much the same way as the Full Simulation Model, with two important exceptions, both of which were mandated by the much larger size of the MSA model. First, the MSA model only uses actual rates for the various trigger indicators as input. No attempt was made to predict these rates on the basis of national data. Second, the MSA model does not produce simulations for all three of the trigger indicators simultaneously. Rather, the model must be run separately for each trigger indicator desired. Outputs from the MSA model are very similar to those for the Full Simulation Model. Samples of the output from this model are reported in Tables A.7 - A.9.

B. SAMPLE OUTPUT

Tables A.1 - A.9 report detailed results for some of the simulation modeling that is summarized in Chapter III. In order to make these results accessable, various titles have been added to the tables and the actual names of the substate areas in Florida have been used.

1. Results from the Full Simulation Model

Tables A.1 - A.6 contain sample results from the Full Simulation Model. Results for the "Actual" recession scenario are reported in Tables A.1 and A.2. Output for the model in the hypothetical cases of a "steep" recession and a "shallow" recession are contained in Tables A.3 - A.4 and A.5 - A.6, respectively. In general, these results show the importance of the Miami-Ft. Lauderdale area in the BEA simulations. In most cases examined this area constituted about one-half of the estimated substate EB first payments. For the actual and steep recession cases, the models show that most first payments occurred in 1982 and 1983. Indeed, in these cases no BEA area met the trigger requirements during 1984 and 1985. In the shallow recession scenario, this situation changed a bit. In that case, several areas met the substate trigger thresholds in 1984 and the large Miami-Ft. Lauderdale area was estimated to make payments in 1985 as well.

2. Results for the MSA Model

Tables A.7 - A.9 provide detailed results for some of the simulations with the MSA model. Generally this model showed somewhat greater diversity in the pattern of substate areas' participation in the EB program than did the six BEA areas included in the Full Simulation model. As in that case, however, the Miami-Hialeah area was quite important, constituting between 30 and 40 percent of EB first payments in the various simulations run. With the relatively low trigger thresholds used in these simulations (7 percent TUR, 1.6 percent IUR, and 2.3 percent CUR) the Miami area was on the EB program for most of the time period examined. That was also true for the Lakeland-Winter Haven and Ft. Pierce areas. On the other hand, the Tallahassee and Gainesville areas were seldom triggered onto EB, even during the depth of the 1982-83 recession. Differences among the trigger indicators used are apparent in these tables. For example, significant EB first payments are made during 1985 and 1986 in the West Palm Beach-Boca Raton-Delray Beach MSA area when the CUR was used, but not when the TUR and IUR were used.

TABLE A.1

SIMULATION RESULTS FOR FLORIDA BEA ECONOMIC AREAS ASSUMING ACTUAL RECESSION: 1981-1985

	Year					
	1981	1982	1983	1984	1985	TOTAL
Assumed Trigger Rate: 7.0% TUR						
Number of Months on EB:						
Pensacola-Panama City	4	12	12	4	0	32
Tallahassee	0	4	6	0	0	10
Jacksonville	0	9	9	0	0	18
Tampa-St. Petersburg	2	12	11	0	0	25
Orlando-Melbourne-Daytona Beach	0	10	9	0	0	19
Miami-Ft. Lauderdale	7	12	12	5	0	36
TOTAL	13	59	59	9	0	140
EB First Payments:						
Pensacola-Panama City	825	3141	3101	791	0	7858
Tallahassee	0	565	827	0	0	1392
Jacksonville	0	5454	5436	0	0	10890
Tampa-St. Petersburg	3070	22433	22433	0	0	49851
Orlando-Melbourne-Daytona Beach	0	7666	6963	0	0	14629
Miami-Ft. Lauderdale	15529	36063	35565	11049	0	98206
TOTAL	19424	77237	74325	11840	0	182826
Total Payments in 1982-1983			151562			
Percent of EB First Payments During 1982-1983			82.9			
Assumed Trigger Rate: 1.6% IUR						
Number of Months on EB:						
Pensacola-Panama City	4	12	12	4	0	32
Tallahassee	0	3	3	0	0	6
Jacksonville	0	9	9	0	0	18
Tampa-St. Petersburg	3	12	12	4	0	31
Orlando-Melbourne-Daytona Beach	0	12	10	0	0	22
Miami-Ft. Lauderdale	8	12	12	8	0	40
TOTAL	15	60	58	16	0	149
EB First Payments:						
Pensacola-Panama City	825	3141	3101	791	0	7858
Tallahassee	0	430	418	0	0	848
Jacksonville	0	5454	5436	0	0	10890
Tampa-St. Petersburg	4415	24348	23892	5304	0	57959
Orlando-Melbourne-Daytona Beach	0	8993	7631	0	0	16624
Miami-Ft. Lauderdale	17582	36063	35565	17083	0	106293

TABLE A.1 - continued

TOTAL	22822	78429	76043	23178	0	200472
Total Payments in 1982-1983			154472			
Percent of EB First Payments During 1982-1983			77.1			
Assumed Trigger Rate: 2.3% CUR						
Number of Months on EB:						
Pensacola-Panama City	3	12	12	4	0	31
Tallahassee	0	0	0	0	0	0
Jacksonville	0	7	6	0	0	13
Tampa-St. Petersburg	3	12	12	4	0	31
Orlando-Melbourne-Daytona Beach	0	11	10	0	0	21
Miami-Ft. Lauderdale	12	12	12	12	11	59
TOTAL	18	54	52	20	11	155
EB First Payments:						
Pensacola-Panama City	635	3141	3101	791	0	7668
Tallahassee	0	0	0	0	0	0
Jacksonville	0	4357	3786	0	0	8143
Tampa-St. Petersburg	4415	24348	23892	5304	0	57959
Orlando-Melbourne-Daytona Beach	0	8343	7631	0	0	15974
Miami-Ft. Lauderdale	25710	36063	35565	25170	21790	144298
TOTAL	30760	76252	73975	31265	21790	234042
Total Payments in 1982-1983			150227			
Percent of EB First Payments During 1982-1983			64.2			

TABLE A.2

SIMULATION RESULTS FOR FLORIDA BEA ECONOMIC AREAS ASSUMING ACTUAL RECESSION: 1981-1985

	Year					
	1981	1982	1983	1984	1985	TOTAL
Assumed Trigger Rate: 8.0% TUR						
Number of Months on EB:						
Pensacola-Panama City	0	11	10	0	0	21
Tallahassee	0	0	0	0	0	0
Jacksonville	0	2	1	0	0	3
Tampa-St. Petersburg	0	9	9	0	0	18
Orlando-Melbourne-Daytona Beach	0	3	2	0	0	5
Miami-Ft. Lauderdale	0	11	10	0	0	21
TOTAL	0	36	32	0	0	68
EB First Payments:						
Pensacola-Panama City	0	2917	2670	0	0	5587
Tallahassee	0	0	0	0	0	0
Jacksonville	0	1340	643	0	0	1983
Tampa-St. Petersburg	0	19249	19173	0	0	38422
Orlando-Melbourne-Daytona Beach	0	2493	1626	0	0	4119
Miami-Ft. Lauderdale	0	33513	30673	0	0	64186
TOTAL	0	59512	54785	0	0	114297
Total Payments in 1982-1983			114297			
Percent of EB First Payments During 1982-1983			100			
Assumed Trigger Rate: 2.0% IUR						
Number of Months on EB:						
Pensacola-Panama City	0	11	10	0	0	21
Tallahassee	0	0	0	0	0	0
Jacksonville	0	2	1	0	0	3
Tampa-St. Petersburg	0	12	10	0	0	22
Orlando-Melbourne-Daytona Beach	0	4	6	0	0	10
Miami-Ft. Lauderdale	0	12	10	8	0	22
TOTAL	0	41	37	0	0	78
EB First Payments:						
Pensacola-Panama City	0	2917	2670	0	0	5587
Tallahassee	0	0	0	0	0	0
Jacksonville	0	1340	643	0	0	1983
Tampa-St. Petersburg	0	24348	20860	0	0	45208
Orlando-Melbourne-Daytona Beach	0	3279	4806	0	0	8085
Miami-Ft. Lauderdale	0	36063	30673	0	0	66736

TABLE A.2 - continued

TOTAL	0	67947	59652	0	0	127599
Total Payments in 1982-1983			127599			
Percent of EB First Payments During 1982-1983			100			

Assumed Trigger Rate: 2.8% CUR

Number of Months on EB:						
Pensacola-Panama City	0	10	9	0	0	19
Tallahassee	0	0	0	0	0	0
Jacksonville	0	0	0	0	0	0
Tampa-St. Petersburg	1	12	11	0	0	24
Orlando-Melbourne-Daytona Beach	0	3	5	0	0	8
Miami-Ft. Lauderdale	2	12	12	0	0	26
TOTAL	3	37	37	0	0	77
EB First Payments:						
Pensacola-Panama City	0	2683	2439	0	0	5122
Tallahassee	0	0	0	0	0	0
Jacksonville	0	0	0	0	0	0
Tampa-St. Petersburg	1573	24348	22433	0	0	48354
Orlando-Melbourne-Daytona Beach	0	2493	4020	0	0	6513
Miami-Ft. Lauderdale	4933	36063	35565	0	0	76561
TOTAL	6506	65587	64457	0	0	136550
Total Payments in 1982-1983			130044			
Percent of EB First Payments During 1982-1983			95.2			

TABLE A.3

SIMULATION RESULTS FOR FLORIDA BEA ECONOMIC AREAS ASSUMING STEEP RECESSION: 1981-1985

	Year					
	1981	1982	1983	1984	1985	TOTAL
Assumed Trigger Rate: 7.0% TUR						
Number of Months on EB:						
Pensacola-Panama City	3	12	7	0	0	22
Tallahassee	0	11	3	0	0	14
Jacksonville	0	12	4	0	0	16
Tampa-St. Petersburg	2	12	6	0	0	20
Orlando-Melbourne-Daytona Beach	1	12	5	0	0	18
Miami-Ft. Lauderdale	12	12	12	1	0	37
TOTAL	18	71	37	1	0	127
EB First Payments:						
Pensacola-Panama City	662	3817	1785	0	0	6264
Tallahassee	0	1738	426	0	0	2164
Jacksonville	0	8733	2519	0	0	11252
Tampa-St. Petersburg	3336	31802	12288	0	0	47426
Orlando-Melbourne-Daytona Beach	686	10771	3883	0	0	15340
Miami-Ft. Lauderdale	26370	44183	30927	2094	0	103574
TOTAL	31054	101044	51828	2094	0	186020
Total Payments in 1982-1983			152872			
Percent of EB First Payments During 1982-1983			82.2			
Assumed Trigger Rate: 1.6% IUR						
Number of Months on EB:						
Pensacola-Panama City	3	12	7	0	0	22
Tallahassee	0	10	2	0	0	12
Jacksonville	0	12	4	0	0	16
Tampa-St. Petersburg	3	12	7	0	0	22
Orlando-Melbourne-Daytona Beach	1	12	5	0	0	18
Miami-Ft. Lauderdale	12	12	12	1	0	37
TOTAL	19	70	37	1	0	127
EB First Payments:						
Pensacola-Panama City	662	3817	1785	0	0	6264
Tallahassee	0	1604	292	0	0	1896
Jacksonville	0	8733	2519	0	0	11252
Tampa-St. Petersburg	4719	31802	13671	0	0	50192
Orlando-Melbourne-Daytona Beach	686	10771	3883	0	0	15340
Miami-Ft. Lauderdale	26370	44183	30927	2094	0	103574

TABLE A.3 - continued

TOTAL	32437	100910	53077	2094	0	188518
Total Payments in 1982-1983			153987			
Percent of EB First Payments During 1982-1983			81.7			

Assumed Trigger Rate: 2.3% CUR

Number of Months on EB:						
Pensacola-Panama City	3	12	7	0	0	22
Tallahassee	0	9	1	0	0	10
Jacksonville	0	12	4	0	0	16
Tampa-St. Petersburg	3	12	7	0	0	22
Orlando-Melbourne-Daytona Beach	1	12	5	0	0	18
Miami-Ft. Lauderdale	12	12	12	12	12	60
TOTAL	19	69	36	12	12	148
EB First Payments:						
Pensacola-Panama City	662	3817	1785	0	0	6264
Tallahassee	0	1462	150	0	0	1612
Jacksonville	0	8733	2519	0	0	11252
Tampa-St. Petersburg	4719	31802	13671	0	0	50192
Orlando-Melbourne-Daytona Beach	686	10771	3883	0	0	15340
Miami-Ft. Lauderdale	26370	44183	30927	22851	22644	146975
TOTAL	32437	100768	52935	22851	22644	231635
Total Payments in 1982-1983			153703			
Percent of EB First Payments During 1982-1983			56.4			

TABLE A.4

SIMULATION RESULTS FOR FLORIDA BEA ECONOMIC AREAS ASSUMING STEEP RECESSION: 1981-1985

	Year					
	1981	1982	1983	1984	1985	TOTAL
Assumed Trigger Rate: 8.0% TUR						
Number of Months on EB:						
Pensacola-Panama City	1	12	5	0	0	18
Tallahassee	0	6	0	0	0	6
Jacksonville	0	10	2	0	0	12
Tampa-St. Petersburg	0	12	4	0	0	16
Orlando-Melbourne-Daytona Beach	0	10	2	0	0	12
Miami-Ft. Lauderdale	1	12	5	0	0	18
TOTAL	2	62	18	0	0	82
EB First Payments:						
Pensacola-Panama City	238	3817	1361	0	0	5416
Tallahassee	0	996	0	0	0	996
Jacksonville	0	7564	1350	0	0	8914
Tampa-St. Petersburg	0	31802	8952	0	0	40754
Orlando-Melbourne-Daytona Beach	0	9263	1689	0	0	10952
Miami-Ft. Lauderdale	2715	44183	15648	0	0	62546
TOTAL	2953	97625	29000	0	0	129578
Total Payments in 1982-1983			126625			
Percent of EB First Payments During 1982-1983			97.7			
Assumed Trigger Rate: 2.0% TUR						
Number of Months on EB:						
Pensacola-Panama City	1	12	5	0	0	18
Tallahassee	0	0	0	0	0	0
Jacksonville	0	10	2	0	0	12
Tampa-St. Petersburg	1	12	5	0	0	18
Orlando-Melbourne-Daytona Beach	0	11	3	0	0	14
Miami-Ft. Lauderdale	1	12	5	8	0	18
TOTAL	3	57	20	0	0	80
EB First Payments:						
Pensacola-Panama City	238	3817	1361	0	0	5416
Tallahassee	0	0	0	0	0	0
Jacksonville	0	7564	1350	0	0	8914
Tampa-St. Petersburg	1763	31802	10715	0	0	44280
Orlando-Melbourne-Daytona Beach	0	10040	2466	0	0	12506
Miami-Ft. Lauderdale	2715	44183	15648	0	0	62546

TABLE A.4 - continued

TOTAL	4716	97406	31540	0	0	133662
Total Payments in 1982-1983			128946			
Percent of EB First Payments During 1982-1983			96.5			

Assumed Trigger Rate: 2.8% CUR

Number of Months on EB:						
Pensacola-Panama City	1	12	5	0	0	18
Tallahassee	0	0	0	0	0	0
Jacksonville	0	9	1	0	0	10
Tampa-St. Petersburg	2	12	6	0	0	20
Orlando-Melbourne-Daytona Beach	0	10	2	0	0	12
Miami-Ft. Lauderdale	2	12	6	0	0	20
TOTAL	5	55	20	0	0	80
EB First Payments:						
Pensacola-Panama City	238	3817	1361	0	0	5416
Tallahassee	0	0	0	0	0	0
Jacksonville	0	6912	698	0	0	7610
Tampa-St. Petersburg	3336	31802	12288	0	0	47426
Orlando-Melbourne-Daytona Beach	0	9236	1689	0	0	10952
Miami-Ft. Lauderdale	5223	44183	18156	0	0	67562
TOTAL	8797	95977	34192	0	0	138966
Total Payments in 1982-1983			130169			
Percent of EB First Payments During 1982-1983			93.7			

TABLE A.5

SIMULATION RESULTS FOR FLORIDA BEA ECONOMIC AREAS ASSUMING
SHALLOW RECESSION: 1981-1985

	Year					
	1981	1982	1983	1984	1985	TOTAL
Assumed Trigger Rate: 7.0% TUR						
Number of Months on EB:						
Pensacola-Panama City	3	12	12	5	0	32
Tallahassee	0	8	10	0	0	18
Jacksonville	0	10	12	0	0	22
Tampa-St. Petersburg	1	12	12	3	0	28
Orlando-Melbourne-Daytona Beach	0	11	12	1	0	24
Miami-Ft. Lauderdale	12	12	12	6	0	42
TOTAL	13	65	70	15	0	166
EB First Payments:						
Pensacola-Panama City	620	3147	3226	1085	0	8078
Tallahassee	0	1072	1340	0	0	2412
Jacksonville	0	5971	7185	0	0	13156
Tampa-St. Petersburg	1535	24424	25298	4947	0	56204
Orlando-Melbourne-Daytona Beach	0	8355	9223	686	0	18264
Miami-Ft. Lauderdale	25874	36150	37104	14428	0	113556
TOTAL	28029	79119	83376	21146	0	211670
Total Payments in 1982-1983			162495			
Percent of EB First Payments During 1982-1983			76.8			
Assumed Trigger Rate: 1.6% IUR						
Number of Months on EB:						
Pensacola-Panama City	3	12	12	5	0	32
Tallahassee	0	3	3	0	0	0
Jacksonville	0	10	12	0	0	22
Tampa-St. Petersburg	3	12	12	5	0	32
Orlando-Melbourne-Daytona Beach	0	12	12	2	0	26
Miami-Ft. Lauderdale	12	12	12	6	0	42
TOTAL	18	58	60	18	0	154
EB First Payments:						
Pensacola-Panama City	620	3147	3226	1085	0	8078
Tallahassee	0	0	0	0	0	0
Jacksonville	0	5971	7185	0	0	13156
Tampa-St. Petersburg	4263	24424	25298	7675	0	61660
Orlando-Melbourne-Daytona Beach	0	9014	9223	1345	0	19582
Miami-Ft. Lauderdale	25874	36150	37104	14428	0	113556

TOTAL	30757	78706	82036	24533	0	216032
Total Payments in 1982-1983			160742			
Percent of EB First Payments During 1982-1983			74.4			

Assumed Trigger Rate: 2.3% CUR

Number of Months on EB:						
Pensacola-Panama City	3	12	12	5	0	32
Tallahassee	0	0	0	0	0	0
Jacksonville	0	9	11	0	0	20
Tampa-St. Petersburg	3	12	12	5	0	32
Orlando-Melbourne-Daytona Beach	0	11	12	1	0	24
Miami-Ft. Lauderdale	12	12	12	12	12	60
TOTAL	18	56	59	23	12	168
EB First Payments:						
Pensacola-Panama City	620	3147	3226	1085	0	8078
Tallahassee	0	0	0	0	0	0
Jacksonville	0	5427	6641	0	0	12068
Tampa-St. Petersburg	4263	24424	25298	7675	0	61660
Orlando-Melbourne-Daytona Beach	0	8355	9223	686	0	18264
Miami-Ft. Lauderdale	25874	36150	37104	25833	22644	147605
TOTAL	30757	77503	81492	35279	22644	247675
Total Payments in 1982-1983			158995			
Percent of EB First Payments During 1982-1983			64.2			

TABLE A.6

SIMULATION RESULTS FOR FLORIDA BEA ECONOMIC AREAS ASSUMING SHALLOW RECESSION: 1981-1985

	Year					
	1981	1982	1983	1984	1985	TOTAL
Assumed Trigger Rate: 8.0% TUR						
Number of Months on EB:						
Pensacola-Panama City	0	12	12	2	0	26
Tallahassee	0	0	0	0	0	0
Jacksonville	0	0	0	0	0	0
Tampa-St. Petersburg	0	10	12	0	0	22
Orlando-Melbourne-Daytona Beach	0	0	0	0	0	0
Miami-Ft. Lauderdale	0	12	12	2	0	26
TOTAL	0	34	36	4	0	74
EB First Payments:						
Pensacola-Panama City	0	3147	3226	465	0	6838
Tallahassee	0	0	0	0	0	0
Jacksonville	0	0	0	0	0	0
Tampa-St. Petersburg	0	21012	25298	0	0	46310
Orlando-Melbourne-Daytona Beach	0	0	0	0	0	0
Miami-Ft. Lauderdale	0	36150	37104	5306	0	78560
TOTAL	0	60309	65628	5771	0	131708
Total Payments in 1982-1983			125937			
Percent of EB First Payments During 1982-1983			95.6			
Assumed Trigger Rate: 2.0% TUR						
Number of Months on EB:						
Pensacola-Panama City	0	12	12	2	0	26
Tallahassee	0	0	0	0	0	0
Jacksonville	0	0	0	0	0	0
Tampa-St. Petersburg	0	12	12	2	0	26
Orlando-Melbourne-Daytona Beach	0	8	10	0	0	18
Miami-Ft. Lauderdale	0	12	12	2	0	26
TOTAL	0	44	46	6	0	96
EB First Payments:						
Pensacola-Panama City	0	3147	3226	465	0	6838
Tallahassee	0	0	0	0	0	0
Jacksonville	0	0	0	0	0	0
Tampa-St. Petersburg	0	24424	25298	3412	0	53134
Orlando-Melbourne-Daytona Beach	0	6216	7770	0	0	13986
Miami-Ft. Lauderdale	0	36150	37104	5306	0	78560

TABLE A.6 - continued

TOTAL	0	69937	73398	9183	0	152518
Total Payments in 1982-1983			143335			
Percent of EB First Payments During 1982-1983			94			

Assumed Trigger Rate: 2.8% CUR

Number of Months on EB:						
Pensacola-Panama City	0	11	12	1	0	24
Tallahassee	0	0	0	0	0	0
Jacksonville	0	0	0	0	0	0
Tampa-St. Petersburg	0	12	12	2	0	26
Orlando-Melbourne-Daytona Beach	0	0	0	0	0	0
Miami-Ft. Lauderdale	1	12	12	3	0	28
TOTAL	1	35	36	6	0	78
EB First Payments:						
Pensacola-Panama City	0	2920	3226	238	0	6834
Tallahassee	0	0	0	0	0	0
Jacksonville	0	0	0	0	0	0
Tampa-St. Petersburg	0	24424	25298	3412	0	53134
Orlando-Melbourne-Daytona Beach	0	0	0	0	0	0
Miami-Ft. Lauderdale	2467	36150	37104	7773	0	83494
TOTAL	2467	63494	65628	11423	0	143012
Total Payments in 1982-1983			129122			
Percent of EB First Payments During 1982-1983			90.3			

TABLE A.7

SIMULATION RESULTS FOR FLORIDA LABOR MARKET AREAS ASSUMING A 7.0% TUR TRIGGER RATE

	Year						
	1981	1982	1983	1984	1985	1986	TOTAL
Number of Months on EB:							
Miami-Hialeah	12	12	12	9	9	4	58
Tampa-St. Petersburg-Clearwater	0	7	9	0	0	0	16
Ft. Lauderdale-Hollywood Pompano Beach	0	6	9	0	0	0	15
Jacksonville	3	3	9	1	0	0	16
Orlando	3	6	6	0	0	0	15
West Palm Beach-Boca Raton-Delray Beach	3	10	11	3	4	3	34
Lakeland-Winter Haven	9	12	12	12	12	12	69
Pensacola	2	4	9	3	1	3	22
Melbourne-Titusville-Palm Bay	3	7	9	1	0	3	23
Daytona Beach	3	4	6	0	0	0	13
Fort Myers-Cape Coral	0	9	8	0	0	0	17
Sarasota	0	3	3	0	0	0	6
Tallahassee	0	0	3	0	0	0	3
Gainesville	0	0	0	0	0	0	0
Ft. Pierce	9	12	12	12	12	12	69
Bradenton	0	10	10	0	0	0	20
Ocala	7	12	12	7	4	3	45
Ft. Walton Beach	7	7	9	3	3	1	30
Panama City	8	12	12	9	8	12	61
Naples	9	12	12	8	6	4	51
TOTALS	78	148	173	68	59	57	583

TABLE A.7 - continued

SIMULATION RESULTS FOR FLORIDA LABOR MARKET AREAS ASSUMING
A 7.0% TUR TRIGGER RATE

	Year						
	1981	1982	1983	1984	1985	1986	TOTAL
EB First Payments:							
Miami-Hialeah	11848	19195	18413	10632	11011	4169	75268
Tampa-St. Petersburg-Clearwater	0	7793	7756	0	0	0	15549
Ft. Lauderdale-Hollywood Pompano Beach	0	3897	5166	0	0	0	9063
Jacksonville	837	1106	2830	222	0	0	4995
Orlando	1115	2206	2164	0	0	0	5485
West Palm Beach-Boca Raton-Delray Beach	1323	5090	5550	1281	2148	1587	16979
Lakeland-Winter Haven	2789	6095	5996	4251	4127	3852	27110
Pensacola	162	389	802	155	67	251	1826
Melbourne-Titusville-Palm Bay	362	1079	1131	94	0	496	3162
Daytona Beach	168	483	663	0	0	0	1314
Fort Myers-Cape Coral	0	1161	1064	0	0	0	2225
Sarasota	0	379	371	0	0	0	750
Tallahassee	0	0	206	0	0	0	206
Gainesville	0	0	0	0	0	0	0
Ft. Pierce	1043	2424	2367	1959	2108	1856	11757
Bradenton	0	1085	807	0	0	0	1892
Ocala	336	911	750	338	151	130	2616
Ft. Walton Beach	316	277	382	77	100	44	1196
Panama City	587	1028	1222	657	733	918	5145
Naples	562	1158	1407	557	304	199	4187
TOTALS	21448	55756	59047	20223	20749	13502	190725
Total Payments in 1982-1983				114803			
Percent of EB First Payments During 1982-1983				60.2			

TABLE A.8

SIMULATION RESULTS FOR FLORIDA LABOR MARKET AREAS ASSUMING A 1.6% IUR TRIGGER RATE

	Year						
	1981	1982	1983	1984	1985	1986	TOTAL
Number of Months on EB:							
Miami-Hialeah	8	12	12	12	12	10	66
Tampa-St. Petersburg-Clearwater	5	12	9	0	0	0	26
Ft. Lauderdale-Hollywood Pompano Beach	0	12	10	0	0	0	22
Jacksonville	0	10	7	0	0	0	17
Orlando	6	9	4	0	0	0	19
West Palm Beach-Boca Raton-Delray Beach	8	10	11	4	5	4	42
Lakeland-Winter Haven	12	12	12	9	9	12	66
Pensacola	1	9	7	0	0	3	20
Melbourne-Titusville-Palm Bay	8	11	9	0	0	6	34
Daytona Beach	9	12	11	0	0	0	32
Fort Myers-Cape Coral	5	12	10	0	0	0	27
Sarasota	4	12	6	0	0	0	22
Tallahassee	0	0	0	0	0	0	0
Gainesville	0	0	0	0	0	0	0
Ft. Pierce	12	12	12	12	12	9	69
Bradenton	9	12	11	0	3	0	35
Ocala	9	12	11	4	0	0	36
Ft. Walton Beach	7	10	9	0	4	5	35
Panama City	9	12	12	8	9	12	62
Naples	9	12	12	8	5	4	50
TOTALS	121	203	175	57	59	65	680

TABLE A.8 - continued

TABLE A-8
SIMULATION RESULTS FOR FLORIDA LABOR MARKET AREAS ASSUMING A 1.6% IUR TRIGGER RATE

	Year						
	1981	1982	1983	1984	1985	1986	TOTAL
EB First Payments:							
Miami-Hialeah	8408	19195	18413	13783	14313	11202	85314
Tampa-St. Petersburg-Clearwater	3313	12377	8506	0	0	0	24196
Ft. Lauderdale-Hollywood Pompano Beach	0	7512	6015	0	0	0	13527
Jacksonville	0	3541	2516	0	0	0	6057
Orlando	1970	3449	1742	0	0	0	7161
West Palm Beach-Boca Raton-Delray Beach	2486	5090	5550	2447	3045	2472	21090
Lakeland-Winter Haven	3697	6095	5996	3574	3469	3852	26683
Pensacola	104	790	711	0	0	251	1856
Melbourne-Titusville-Palm Bay	1085	1613	1179	0	0	971	4848
Daytona Beach	785	1502	1192	0	0	0	3479
Fort Myers-Cape Coral	297	1709	1296	0	0	0	3302
Sarasota	234	1248	621	0	0	0	2103
Tallahassee	0	0	0	0	0	0	0
Gainesville	0	0	0	0	0	0	0
Ft. Pierce	1263	2424	2367	1959	2108	1641	11762
Bradenton	536	1191	877	0	203	0	2807
Ocala	429	911	710	218	0	0	2268
Ft. Walton Beach	328	375	373	0	123	203	1402
Panama City	670	1028	1222	627	751	918	5216
Naples	523	1158	1407	534	358	304	4284
TOTALS	26128	71208	60693	23142	24370	21814	227355
Total Payments in 1982-1983				131901			
Percent of EB First Payments During 1982-1983				58.0%			

TABLE A.9

SIMULATION RESULTS FOR FLORIDA LABOR MARKET AREAS ASSUMING A 2.3% CUR TRIGGER RATE

	Year						
	1981	1982	1983	1984	1985	1986	TOTAL
Number of Months on EB:							
Miami-Hialeah	8	12	12	12	12	12	68
Tampa-St. Petersburg-Clearwater	3	12	9	0	0	0	24
Ft. Lauderdale-Hollywood Pompano Beach	0	10	10	0	0	0	20
Jacksonville	0	6	6	0	0	0	12
Orlando	3	5	4	0	0	0	12
West Palm Beach-Boca Raton-Delray Beach	7	10	12	6	6	5	46
Lakeland-Winter Haven	12	12	12	12	12	12	72
Pensacola	0	4	6	0	0	0	10
Melbourne-Titusville-Palm Bay	4	8	8	0	0	3	23
Daytona Beach	7	12	8	0	0	0	27
Fort Myers-Cape Coral	4	12	11	0	0	0	27
Sarasota	0	12	7	0	0	0	19
Tallahassee	0	0	0	0	0	0	0
Gainesville	0	0	0	0	0	0	0
Ft. Pierce	12	12	12	12	12	12	72
Bradenton	9	12	11	0	3	0	35
Ocala	9	12	11	4	0	0	36
Ft. Walton Beach	4	12	9	0	0	0	25
Panama City	12	12	12	12	12	12	72
Naples	9	12	12	12	7	4	56
TOTALS	103	187	172	70	64	60	656

TABLE A.9 - continued

SIMULATION RESULTS FOR FLORIDA LABOR MARKET AREAS ASSUMING A 2.3% CUR TRIGGER RATE

	Year						
	1981	1982	1983	1984	1985	1986	TOTAL
EB first Payments:							
Miami-Hialeah	8750	19195	18413	13783	14313	13121	87585
Tampa-St. Petersburg-Clearwater	2108	12377	8506	0	0	0	22991
Ft. Lauderdale-Hollywood Pompano Beach	0	6728	6015	0	0	0	12743
Jacksonville	0	2190	2131	0	0	0	4321
Orlando	855	1995	1742	0	0	0	4592
West Palm Beach-Boca Raton-Delray Beach	2237	5090	5786	3151	3306	2844	22414
Lakeland-Winter Haven	3697	6095	5996	4251	4127	3852	28018
Pensacola	0	393	627	0	0	0	1020
Melbourne-Titusville-Palm Bay	520	1251	1074	0	0	496	3341
Daytona Beach	608	1502	940	0	0	0	3050
Fort Myers-Cape Coral	281	1709	1368	0	0	0	3358
Sarasota	0	1248	707	0	0	0	1955
Tallahassee	0	0	0	0	0	0	0
Gainesville	0	0	0	0	0	0	0
Ft. Pierce	1263	2424	2367	1959	2108	1856	11977
Bradenton	543	1191	877	0	203	0	2814
Ocala	429	911	710	218	0	0	2268
Ft. Walton Beach	186	455	373	0	0	0	1014
Panama City	777	1028	1222	775	904	918	5624
Naples	523	1158	1407	708	420	304	4520
TOTALS	22787	66940	60261	24845	25381	23391	223605
Total Payments in 1982-1983				127201			
Percent of EB First Payments During 1982-1983				56.9%			

APPENDIX B

THEORETICAL DEVELOPMENT OF AN UNEMPLOYMENT RATE FOR THE EB TARGET POPULATION

Perhaps the chief obstacle to developing even a conceptual expression of the unemployment rate of the EB target population lies in the difficulty of defining an employed counterpart to the insured unemployed plus exhaustees. For a simple representation of the problem we may divide the total unemployed population into four classes:

U1	the insured unemployed (regular UI recipients)
U2	exhaustees (including EB recipients)
U3	other unemployed persons covered by UI but not currently eligible to receive benefits
U4	unemployed persons not covered by UI

and the total employed population into three classes:

E1	employed persons monetarily eligible for UI
E2	employed persons in jobs covered by UI but who are not monetarily eligible to receive UI
E3	employed persons in jobs not covered by UI

Class U3 includes the following unemployed persons whose last jobs were covered by UI but who are not eligible to receive benefits:

- persons ineligible for job separation reasons (voluntary leavers and persons fired for misconduct)
- persons monetarily ineligible (insufficient covered wages)
- persons disqualified for failing to meet continuing eligibility requirements
- persons who would be eligible but have not filed (and who may or may not file in the future)

Class U4 includes new entrants and reentrants to the labor force as well as persons whose prior employment was in noncovered jobs. New entrants and reentrants tend to be the single largest component of the uninsured unemployed (and in some states at certain times even outnumber the insured unemployed). The other unemployment and employment components require no further explanation.

Classes U1 and U2 encompass all persons who would be eligible to receive EB if they remain unemployed long enough. Therefore, dividing U1 + U2 by an appropriate segment of the labor force would give us the unemployment rate of the EB target population. The relevant employed portion of the labor force should include only those employees who would actually collect UI benefits if they were to lose their jobs. In our formulation the closest candidate is E1 by itself. The unemployment rate, therefore, would be calculated as:

$$\frac{U1 + U2}{E1 + U1 + U2}$$

The one deficiency of this rate is that E1 is overly inclusive. Some of the employed persons with sufficient covered wages to be eligible for unemployment benefits would end up being disqualified for other reasons (for example, inappropriate separation from their last job or failure to meet continuing UI eligibility requirements). Counting them in the denominator would cause us to understate the unemployment rate of the EB target population. The fact that this group cannot be defined neatly and with reference to observable characteristics of employees prevents our refining the conceptual definition further. Nevertheless, the bias that would exist in an operational translation of this definition would tend to be minor--a very small percent of the relevant labor force at best, implying at most a few tenths of a percentage point off the unemployment rate.

With the above components the insured unemployment rate (IUR) would be represented as:

$$\frac{U1}{E1 + E2}$$

except that the denominator of the IUR is lagged and refers to an entire quarter. The total unemployment rate (TUR) would be expressed as:

$$\frac{U1 + U2 + U3 + U4}{E1 + E2 + E3 + U1 + U2 + U3 + U4}$$

This definition is not exact, in that some recipients of UI (specifically those with earnings from limited employment) would not meet the official definition of unemployed. The discrepancy is negligible, however.

It is apparent from these formulations that both the IUR and the TUR deviate quite substantially from the theoretical unemployment rate of the EB target population. In particular, the numerator of the IUR is less inclusive and the denominator more inclusive than those of the theoretically appropriate rate.[44]

As is discussed in the body of the report, the numerator of the IUR excludes exhaustées, and therefore the IUR will understate the labor market hardship confronting the insured unemployed. The impact of this exclusion will vary with state UI laws and may also vary with the severity of unemployment. The excluded component will be relatively larger in states where fewer of the insured unemployed qualify for the maximum benefit duration. Such states would be penalized if extended benefits were triggered by the absolute value of the IUR. The excluded component may also be relatively larger when labor markets are weak, which would make the IUR less responsive than the theoretically appropriate rate. This relationship is too complex to assess without empirical analysis, however.

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[44] Much of the remaining discussion duplicates what is in the body of the text. We include it here as well for completeness.

The denominator of the IUR includes not only those employed persons (E1) who would be eligible to receive unemployment compensation but a sizable number (E2) who would not be eligible. Moreover, the relative sizes of E1 and E2 will vary from area to area, reflecting differences in state UI laws, labor force composition, and labor market structure. If extended benefits were triggered by the absolute value of the IUR, states and areas with relatively large E2 components would be penalized.

The TUR, of course, covers the entire labor force rather than just that portion potentially eligible for unemployment insurance. Unemployment will tend to be higher in the total labor force than in the portion eligible for UI, so the TUR will overstate the severity of the labor market conditions facing the EB target population. The discrepancy between the TUR and the theoretical unemployment rate of the target population will vary among states and areas and over time. At least potentially, the discrepancy will be greatest in states with the smallest labor force proportions eligible for UI. This will occur because the insured labor force is more selective in such states and because its unemployment rate will carry less weight in the TUR.

An alternative to the IUR and TUR is the covered unemployment rate (CUR), defined as follows:

$$\frac{U1 + U2}{E1 + E2}$$

The inclusion of U2 in the numerator brings the CUR closer than the IUR to the theoretical unemployment rate of the target population. Its denominator is the same as the IUR, however, so it will still understate the theoretical unemployment rate of the target population, and the magnitude of the discrepancy will vary among states and areas.

APPENDIX C

THE RELATIONSHIP BETWEEN PLACE OF WORK AND PLACE OF RESIDENCE

Commuting across the boundaries of substate areas will affect both the measurement of substate labor market conditions (e.g., through the discrepancy between the numerator--place of residence--and denominator--place of work--of the IUR based on administrative data) and the perception of equity among UI recipients. The severity of both problems depends on the volume of commuting, obviously. In Chapter IV we discussed strategies for defining substate areas so as to moderate the interarea flows--i.e., to hold down the numbers of persons for whom place of work and place of residence diverge. The idea is to combine counties between which there exist substantial commuting flows. The effectiveness of such strategies depends, of course, on the commuting patterns themselves. Certain flows may not be amenable to significant reduction without compromising other objectives of the area definitions--e.g., combining counties across states or creating mega-areas that work against the purpose of a substate program.

In this appendix we use data from the 1980 Census to investigate the extent of commuting into and out of metropolitan areas, between counties within metropolitan areas, and across state lines. We examine both the net flows (persons commuting in less those commuting out) and the gross flows. The measurement problems are a function of net flows in that positive and negative errors of the same magnitude will cancel each other in counts of employment. The equity problems are linked to gross flows, however. All of the people commuting into an area would be excluded from potential extensions of unemployment benefits under a residence-based program if the area in which they worked were to trigger on while their areas of residence remained "off."

We focus on metropolitan areas for three reasons. First, close to 80 percent of the civilian labor force resides in metropolitan areas, which represent fewer than 25 percent of all counties. Second, metropolitan areas are defined on the basis of commuting patterns, so they encompass a disproportionate share of all commuting flows. As we noted above, a major issue that this analysis addresses is whether metropolitan areas encompass both place of residence and place of work for a large enough proportion of their workers/residents. Third, some metropolitan labor market areas include counties from two or more states. Analogous groupings do not exist among nonmetropolitan counties. While commuting across state borders can and does occur in nonmetropolitan as well as metropolitan counties, the volume of such commuting is small in comparison to that which we can observe among metropolitan counties.

1. Net Commuting Flows*

Table C.1 describes the distribution of 376 metropolitan areas (including separate state portions of cross-state areas) with respect to the relationship between 1980 Census estimates of total employment by place of work and total employment by place of residence. The table reports statistics summarizing the distribution of the difference between the place of work and place of residence estimates, expressed as a proportion of the place of residence estimate.

Employment by place of work exceeded employment by place of residence in 56.4 percent of the metropolitan areas. Among 7.7 percent of the areas the place of work estimate was at least 10 percent greater than the residence-based estimate, and in another 18.6 percent of the areas the difference was at least five percent.

Large differences are much more common when employment by place of work is lower than employment by place of residence. The place of work estimate is at least 20 percent smaller than the place of residence estimate among 7.7 percent of the areas; it is at least 10 percent smaller among 16.2 percent of the areas. Thus the difference between the two estimates, whether positive or negative, exceeds 10 percent in 23.9 percent or nearly one quarter of the areas.

TABLE C.1

DISTRIBUTION OF 376 U.S. METROPOLITAN STATISTICAL AREAS BY THE PERCENTAGE DIFFERENCE BETWEEN TOTAL EMPLOYMENT BY PLACE OF WORK AND TOTAL EMPLOYMENT BY PLACE OF RESIDENCE

Percentage Difference between Employment by Place of Work Employment by Place of Residence	Number of Areas	Cumulative Frequency	Percent of All Areas	Cumulative Percentage
Employment by place of work is greater than employment by place of residence:	212	--	56.4%	--
At least 20% greater	2	2	0.5	0.5
At least 10% but not 20% greater	27	29	7.2	7.7
At least 5% but not 10% greater	70	99	18.6	26.3
At least 2% but not 5% greater	66	165	17.6	43.9
At least 1% but not 2% greater	28	193	7.4	51.3
Up to 1% greater	19	212	5.1	56.4
Employment by place of work is smaller than employment by place of residence:	164	--	43.6%	--
At least 30% smaller	12	12	3.2	3.2
At least 20% but not 30% smaller	17	29	4.5	7.7
At least 10% but not 20% smaller	32	61	8.5	16.2
At least 5% but not 10% smaller	29	90	7.7	23.9
At least 2% but not 5% smaller	39	129	10.4	34.3
At least 1% but not 2% smaller	22	151	5.9	40.2
Up to 1% smaller	13	164	3.5	43.6

SOURCE: Generated from special Census Bureau tabulation of 1980 Census commuting data prepared for the Bureau of Labor Statistics.

NOTE: The areas are Metropolitan Statistical Areas (MSAs) and Primary Metropolitan Statistical Areas (PMSAs). State portions of the 35 cross-state MSAs and PMSAs are counted as separate areas.

It is interesting to note the types of areas with the greatest net commuting flows, both positive and negative. All 12 areas with employment by place of work running at least 30 percent lower than employment by place of residence are either single state portions of multi-state MSAs or else PMSAs. (Results for all 376 areas are reported in tables C.3 to C.5.) In fact the 50 areas with the lowest relative employment by place of work all belong to multi-state MSAs or to PMSAs. In both cases, the area definitions recognize that these areas are in fact embedded in larger labor markets.

The area with the largest discrepancy by far between the two estimates of total employment is the District of Columbia portion of the Washington, D.C. MSA. Employment by place of work exceeds employment by place of residence by 120 percent (i.e., the number of persons working in D.C. is more than double the number of workers who reside in D.C. In general, PMSAs and state portions of cross-state MSAs do not dominate the areas with excess employment to the same extent that they dominate the other end of the distribution. Nevertheless, of the 29 areas with employment by place of work exceeding employment by place of residence by 10 percent or more, 10 are part of cross-state areas and another six are PMSAs.

These results speak to the implications of using employment by place of work as a substitute for employment by place of residence in constructing measures of local labor market conditions. If unadjusted covered employment were used in the denominator of an EB trigger at the substate level, the resulting unemployment rate would have an error of plus or minus 10 percent in nearly one out of four areas. Thus if the "true" unemployment rate were 9.0 percent, the trigger estimate would be less than 8.1 percent or greater than 9.9 percent about one quarter of the time. Furthermore, this bias would persist for as long as the commuting patterns remained unchanged.

If a correction for the discrepancy between employment by place of residence and employment by place of work--presumably based on census employment/residence ratios--were to be built into the calculation of the substate trigger, the error in the denominator would not be as sizable as what we see in Table C.1. In this case the error reported in the table is indicative of the magnitude of the residency adjustment that will have to be applied to estimates of employment by place of work to achieve consistent numerators and denominators. It may also indicate the potential for the correction factor, which would presumably be derived from 1980 census data, to become less accurate over time. We must be cautious, however, in suggesting that the potential for change in the net commuting patterns of metropolitan areas is related to the net commuting rates observed at the last census.

2. Gross Commuting Flows

Gross flows, as we have noted, are relevant to the gauging the potential for perceived inequities that exists when individuals who worked together prior to their unemployment or currently live in the same neighborhood receive differential treatment under the EB program. Gross flows may also tell us something about the potential for significant change in an area's last recorded net commuting flows.

Table C.2 reports distributions of the 376 areas by their gross inflows and gross outflows of commuters in 1980. In eight areas or 2.1 percent of the total, commuters exceed 40 percent of the work force. Commuters make up at least 20 percent of the work force in 13.8 percent of the areas, and at least 15 percent in more than 30 percent of the areas. Commuters represent at least one of every ten workers in more than half the areas (55.3 percent).

Large outflows are more common than large inflows, which we find curious. The proportion of the resident workforce commuting to work outside the area exceeds 40

TABLE C.2

DISTRIBUTION OF U.S. METROPOLITAN STATISTICAL AREAS BY THE MAGNITUDES OF GROSS COMMUTING FLOWS

Magnitude of Commuting Flow	Distribution of Areas of Magnitude of Gross Inflow of Commuters[1]				Distribution of Areas of Magnitude of Gross Outflow of Commuters[2]			
	Number of Areas	Cumulative Frequency	Percent of All Areas	Cumulative Percentage	Number Of Areas	Cumulative Frequency	Percent of All Areas	Cumulative Percentage
Greater than 40% of workforce	8	8	2.1%	2.1%	27	27	7.2%	7.2%
At least 30% but less than 40%	13	21	3.5	5.6	19	46	5.1	12.2
At least 20% but less than 30%	31	52	8.2	13.8	39	85	10.4	22.6
At least 15% but less than 20%	62	114	16.5	30.3	30	115	8.0	30.6
At least 10% but less than 15%	94	208	25.0	55.3	46	161	12.2	42.8
At least 5% but less than 10%	122	330	32.4	87.8	110	271	29.3	72.1
At least 2% but less than 5%	41	371	10.9	98.7	101	372	26.9	98.9
Less than 2%	5	376	1.3	100.0	4	376	1.1	100.0

SOURCE: Generated from special Census Bureau tabulations of 1980 Census commuting data prepared for the Bureau of Labor Statistics.

NOTE: The areas are Metropolitan Statistical Areas (MSAs) and Primary Metropolitan Statistical Areas (PMSAs). State portions of the 35 cross-state MSAs and PMSAs are counted as separate areas.

[1] Area workers residing outside the area as a proportion of the total persons working in the area.

[2] Area residents working outside the area as a proportion of the total employed persons living the area.

percent in 27 areas, or 7.2 percent of the total. The proportion exceeds at least 20 percent in 85 areas, or nearly one-quarter of the total.

The potential for perceptions of inequity should the MSA trigger on but the neighboring area not do so is considerable. In more than half the areas at least one out of ten workers could be excluded from EB if the area in which that individual worked should trigger onto EB while the area in which the individual lived did not (assuming eligibility based on place of residence).

Tables C.3, C.4 and C.5 report the estimates of net and gross commuting flows for each of the 376 metropolitan areas (including separate state portions of cross-state areas) upon which Tables C.1 and C.2 are based. All three tables report employed residents, excess employment (or net commuting), gross commuting flows into the area and gross commuting flows out of the area; the tables differ only in the order in which the areas are listed. Table C.3 ranks the 376 areas by excess employment, from lowest to highest. Table C.4 ranks the areas by commuting in-flows, and Table C.5 ranks the areas by commuting out-flows.

All three flows are expressed as percentages, which may be positive or negative. Excess employment is calculated as the difference between the number of persons working in the area and the number of residents who hold jobs, divided by the latter. The commuting in-flow is calculated as the difference between the number of persons working in the area and the number of persons who both work and live in the area, divided by the former. The result may be interpreted as the percentage of persons working in the area who commute to jobs from outside the area. The commuting out-flow is calculated as the difference between the number of residents who hold jobs and the number of persons who both live and work in the area, divided by the former. This result may be interpreted as the percentage of employed residents who commute to jobs outside the area.

TABLE C.3

AREA NAME	STATE FIPS	MSA CODE	A RESIDE IN AREA	Excess Employment 100*(B-A)/A	Commuting In 100*(B-C)/B	Commuting Out 100*(A-C)/A	Rank by Excess Employ
LOWELL, MA-NH PMSA	33	4560	3732	-69.32	43.84	82.77	1
FALL RIVER, MA-RI PMSA	44	2480	7271	-64.28	29.77	74.91	2
ST. LOUIS, MO-IL PMSA	17	7040	8573	-49.77	13.86	56.74	3
CHATTANOOGA, TN-GA MSA	13	1560	42967	-43.42	19.92	54.69	4
MEMPHIS, TN-AR-MS MSA	28	4920	21764	-39.72	40.34	64.03	5
HUNTINGTON-ASHLAND, WV-KY-OH MS	39	3400	20545	-38.75	18.49	50.08	6
COLUMBUS, GA-AL MSA	1	1800	17528	-36.58	36.05	59.44	7
CLARKSVILLE-HOPKINSVILLE, TN-KY	47	1660	38077	-33.58	10.36	40.47	8
LAWRENCE-HAVERHILL, MA-NH PMSA	33	4160	40658	-33.43	44.02	62.74	9
CUMBERLAND, MD-WV MSA	54	1900	9158	-32.59	24.41	49.05	10
FORT SMITH, AR-OK MSA	40	2720	10548	-31.76	11.43	39.56	11
CINCINNATI, OH-KY-IN PMSA	21	1640	110109	-30.01	16.43	41.51	12
VANCOUVER, WA PMSA	53	8725	78890	-29.30	6.97	34.23	13
BRISTOL, CT PMSA	9	1170	35559	-29.02	26.12	47.56	14
JOLIET, IL PMSA	17	3690	147860	-28.80	15.77	40.02	15
MINNEAPOLIS-ST. PAUL, MN-WI MSA	55	5120	19314	-27.15	18.05	40.30	16
OMAHA, NE-IA MSA	19	5920	37981	-26.86	18.62	40.47	17
WILMINGTON, DE-NJ-MD PMSA	24	9160	23840	-25.90	25.20	44.58	18
LOWELL, MA-NH PMSA	25	4560	108238	-24.24	24.67	42.93	19
LOUISVILLE, KY-IN MSA	18	4520	74594	-24.20	18.56	38.27	20
MEMPHIS, TN-AR-MS MSA	5	4920	16102	-23.35	14.74	34.65	21
FARGO-MOORHEAD, ND-MN MSA	27	2520	22255	-23.35	21.64	39.93	22
MONMOUTH-OCEAN, NJ PMSA	34	5190	332542	-22.49	6.72	27.71	23
WASHINGTON, DC-MD-VA MSA	24	8840	739491	-22.46	21.70	39.29	24
OXNARD-VENTURA, CA PMSA	6	6000	234855	-22.16	5.14	26.16	25
CINCINNATI, OH-KY-IN PMSA	18	1640	13452	-21.46	25.72	41.66	26
NEW LONDON-NORWICH, CT-RI MSA	44	5520	10385	-21.33	31.60	46.19	27
CAGUAS, PR PMSA	72	1310	55458	-20.78	14.91	32.59	28
BROCKTON, MA PMSA	25	1200	78775	-20.05	32.09	45.71	29
NASSAU-SUFFOLK, NY PMSA	36	5380	1139188	-19.47	8.26	26.12	30
PHILADELPHIA, PA-NJ PMSA	34	6160	440558	-19.33	10.50	27.80	31
WASHINGTON, DC-MD-VA MSA	51	8840	611742	-19.32	18.70	34.41	32
SALEM-GLOUCESTER, MA PMSA	25	7090	124087	-18.65	18.42	33.64	33
WHEELING, WV-OH MSA	39	9000	30565	-16.47	22.89	35.60	34
EAST ST. LOUIS-BELLEVILLE, IL P	17	2285	113957	-15.69	17.83	30.73	35
HAMILTON-MIDDLETOWN, OH PMSA	39	3200	104526	-15.36	19.66	32.00	36
DANBURY, CT PMSA	9	1930	80906	-15.16	18.63	30.96	37
SANTA CRUZ, CA PMSA	6	7485	81628	-14.85	8.86	22.39	38
LAKE COUNTY, IL PMSA	17	3965	211486	-14.63	19.49	31.27	39
MIDDLETOWN, CT PMSA	9	5020	41082	-13.11	29.00	38.31	40
SANTA ROSA-PETALUMA, CA PMSA	6	7500	128561	-13.08	5.16	17.57	41
GALVESTON-TEXAS CITY, TX PMSA	48	2920	89205	-13.02	12.01	23.46	42
ALLENTOWN-BETHLEHEM, PA-NJ MSA	34	240	36310	-12.84	31.27	40.10	43
VALLEJO-FAIRFIELD-NAPA, CA PMSA	6	8720	143231	-12.66	10.08	21.46	44
CHARLOTTE-GASTONIA-ROCK HILL, N	45	1520	47949	-12.53	15.51	26.09	45
RIVERSIDE-SAN BERNARDINO, CA PM	6	6780	611843	-12.45	6.22	17.89	46
TEXARKANA, TX-TEXARKANA, AR MSA	5	8360	14214	-12.36	39.42	46.91	47
NEW BRITAIN, CT PMSA	9	5440	71456	-11.55	34.12	41.73	48
KENOSHA, WI PMSA	55	3800	52963	-11.40	16.43	25.96	49
ALTON-GRANITE CITY, IL PMSA	17	275	106669	-11.37	18.08	27.39	50
AGUADILLA, PR MSA	72	60	28517	-11.36	10.05	20.27	51
FORT WORTH-ARLINGTON, TX PMSA	48	2800	470044	-11.35	7.75	18.22	52
GREELEY, CO MSA	8	3060	52720	-10.97	12.07	21.72	53
TACOMA, WA PMSA	53	8200	204609	-10.83	8.50	18.41	54
ARECIBO, PR MSA	72	470	30875	-10.67	10.90	20.40	55
WATERBURY, CT MSA	9	8880	89657	-10.58	14.36	23.42	56
PAWTUCKET-WOONSOCKET-ATTLEBORO,	44	6060	96400	-10.50	30.29	37.60	57
ORANGE COUNTY, NY PMSA	36	5950	105688	-10.45	14.74	23.65	58
OAKLAND, CA PMSA	6	5775	806620	-10.37	9.72	19.08	59
JOHNSON CITY-KINGSPORT-BRISTOL,	51	3660	33854	-10.22	26.89	34.36	60
FORT LAUDERDALE-HOLLYWOOD-POMPA	12	2680	424649	-10.13	8.82	18.06	61
LORAIN-ELYRIA, OH PMSA	39	4440	108607	-9.96	11.46	20.28	62
PAWTUCKET-WOONSOCKET-ATTLEBORO,	25	6060	42391	-9.73	42.51	48.11	63
BREMERTON, WA MSA	53	1150	62060	-9.66	10.40	19.06	64
FALL RIVER, MA-RI PMSA	25	2480	59634	-9.51	17.72	25.54	65
SAN JUAN, PR PMSA	72	7440	351002	-9.19	11.80	19.91	66
AURORA-ELGIN, IL PMSA	17	620	146928	-9.12	20.12	27.40	67
ANDERSON, SC MSA	45	405	59203	-8.81	13.14	20.79	68
BRADENTON, FL MSA	12	1140	52893	-8.34	9.78	17.31	69
BRIDGEPORT-MILFORD, CT PMSA	9	1160	200677	-7.96	15.06	21.82	70
OLYMPIA, WA MSA	53	5910	52411	-7.94	11.59	18.61	71
EVANSVILLE, IN-KY MSA	21	2440	17419	-7.82	16.61	23.14	72
YORK, PA MSA	42	9280	177428	-7.52	8.06	14.96	73
BERGEN-PASSAIC, NJ PMSA	34	875	606797	-7.25	23.32	28.88	74
KANSAS CITY, MO-KS MSA	20	3760	238035	-7.15	22.79	28.31	75
DANVILLE, VA MSA	51	1950	49658	-7.05	8.63	15.07	76
PARKERSBURG-MARIETTA, WV-OH MSA	39	6020	25179	-7.01	21.83	27.31	77
ANAHEIM-SANTA ANA, CA PMSA	6	360	962288	-6.81	14.74	20.54	78
PROVO-OREM, UT MSA	49	6520	75860	-6.73	3.35	9.85	79
NASHUA, NH PMSA	33	5350	68420	-6.55	24.05	29.03	80
FITCHBURG-LEOMINSTER, MA MSA	25	2600	42749	-6.44	16.72	22.08	81
BRAZORIA, TX PMSA	48	1145	76617	-6.32	17.61	22.82	82
RACINE, WI PMSA	55	6600	77301	-6.16	12.54	17.92	83
OWENSBORO, KY MSA	21	5990	34631	-5.84	8.72	14.05	84
MAYAGUEZ, PR MSA	72	4840	50538	-5.60	12.35	17.26	85
ST. CLOUD, MN MSA	27	6980	68787	-5.36	8.00	12.93	86
BURLINGTON, NC MSA	37	1300	48125	-5.20	15.05	19.46	87
HOUMA-THIBODAUX, LA MSA	22	3350	68475	-5.19	9.26	13.97	88
BEAVER COUNTY, PA PMSA	42	845	77919	-5.15	25.27	29.12	89
AUGUSTA, GA-SC MSA	45	600	44712	-5.02	23.17	27.03	90
OCALA, FL MSA	12	5790	42411	-4.88	7.65	12.15	91

NEW BEDFORD, MA MSA	25	5400	69227	-4.85	10.95	15.27	92
ODESSA, TX MSA	48	5800	55811	-4.79	6.60	11.07	93
BOULDER-LONGMONT, CO PMSA	8	1125	95409	-4.79	17.58	21.53	94
AKRON, OH PMSA	39	80	275367	-4.77	12.24	16.43	95
MIDDLESEX-SOMERSET-HUNTERDON, N	34	5015	422552	-4.69	26.29	29.74	96
VICTORIA, TX MSA	48	8750	30672	-4.61	10.22	14.36	97
VISALIA-TULARE-PORTERVILLE, CA	6	8780	92697	-4.58	4.65	9.02	98
KANKAKEE, IL MSA	17	3740	41045	-4.58	8.27	12.47	99
FORT COLLINS-LOVELAND, CO MSA	8	2670	71478	-4.53	6.56	10.79	100
BALTIMORE, MD MSA	24	720	979973	-4.50	4.64	8.93	101
PONCE, PR MSA	72	6360	47851	-4.24	12.99	16.68	102
JERSEY CITY, NJ PMSA	34	3640	232473	-4.13	36.35	38.98	103
SAN DIEGO, CA MSA	6	7320	853666	-4.05	1.66	5.65	104
JANESVILLE-BELOIT, WI MSA	55	3620	55002	-3.92	10.41	13.92	105
NIAGARA FALLS, NY PMSA	36	5700	91781	-3.81	16.26	19.45	106
AMARILLO, TX MSA	48	320	82479	-3.71	2.49	6.10	107
STEUBENVILLE-WEIRTON, OH-WV MSA	39	8080	33257	-3.64	23.00	25.81	108
SALEM, OR MSA	41	7080	99694	-3.55	8.07	11.34	109
YAKIMA, WA MSA	53	9260	68965	-3.37	3.34	6.60	110
DAVENPORT-ROCK ISLAND-MOLINE, I	19	1960	72181	-3.28	18.64	21.31	111
NORFOLK-VIRGINIA BEACH-NEWPORT	51	5720	531647	-3.21	4.14	7.21	112
PORTSMOUTH-DOVER-ROCHESTER, NH-	23	6450	17834	-3.15	49.46	51.05	113
JACKSON, MI MSA	26	3520	37673	-3.12	9.88	12.69	114
YUBA CITY, CA MSA	6	9340	36946	-3.03	7.83	10.62	115
LAWRENCE-HAVERHILL, MA-NH PMSA	25	4160	113147	-2.82	26.28	28.36	116
FORT PIERCE, FL MSA	12	2710	57513	-2.63	10.44	12.79	117
DULUTH, MN-WI MSA	55	2240	16431	-2.58	16.34	18.50	118
LANCASTER, PA MSA	42	4000	168098	-2.52	6.53	8.89	119
DAYTONA BEACH, FL MSA	12	2020	93064	-2.51	5.68	8.04	120
LAWRENCE, KS MSA	20	4150	32103	-2.50	10.25	12.49	121
MODESTO, CA MSA	6	5170	102493	-2.36	7.16	9.36	122
MEDFORD, OR MSA	41	4890	50668	-2.30	2.92	5.16	123
NEW HAVEN-MERIDEN, CT MSA	9	5480	228055	-2.26	15.03	16.94	124
MCALLEN-EDINBURG-MISSION, TX MS	48	4880	92429	-2.24	3.24	5.41	125
ANDERSON, IN MSA	18	400	54210	-2.23	13.74	15.66	126
HONOLULU, HI MSA	15	3320	368253	-2.23	0.93	3.14	127
BATON ROUGE, LA MSA	22	760	204909	-2.17	8.05	10.05	128
MOBILE, AL MSA	1	5160	169111	-2.02	4.42	6.35	129
WAUSAU, WI MSA	55	8940	48397	-1.94	7.51	9.31	130
SPRINGFIELD, MA MSA	25	8000	228345	-1.91	7.84	9.60	131
CANTON, OH MSA	39	1320	165018	-1.85	10.65	12.30	132
GREAT FALLS, MT MSA	30	3040	36531	-1.72	1.71	3.40	133
READING, PA MSA	42	6680	141649	-1.71	11.55	13.06	134
CHICO, CA MSA	6	1620	52420	-1.69	5.89	7.48	135
ALLENTOWN-BETHLEHEM, PA-NJ MSA	42	240	244479	-1.64	7.79	9.30	136
TUCSON, AZ MSA	4	8520	220820	-1.61	1.52	3.11	137
SACRAMENTO, CA MSA	6	6920	471851	-1.59	3.37	4.90	138
EL PASO, TX MSA	48	2320	181508	-1.59	2.31	3.86	139
DETROIT, MI PMSA	26	2160	1761750	-1.53	2.42	3.90	140
CASPER, WY MSA	56	1350	35938	-1.45	6.26	7.62	141
JACKSONVILLE, FL MSA	12	3600	311294	-1.41	3.07	4.44	142
BISMARCK, ND MSA	38	1010	37381	-1.39	3.91	5.25	143
POUGHKEEPSIE, NY MSA	36	6460	99801	-1.29	16.12	17.20	144
PENSACOLA, FL MSA	12	6080	118974	-1.25	4.40	5.60	145
SHEBOYGAN, WI MSA	55	7620	46436	-1.17	6.34	7.43	146
FLORENCE, AL MSA	1	2650	52570	-1.07	9.65	10.62	147
TAMPA-ST. PETERSBURG-CLEARWATER	12	8280	622490	-1.04	2.07	3.09	148
EUGENE-SPRINGFIELD, OR MSA	41	2400	113935	-1.04	2.43	3.44	149
GADSDEN, AL MSA	1	2880	37692	-1.03	11.65	12.55	150
BELLINGHAM, WA MSA	53	860	42908	-1.01	4.05	5.02	151
WORCESTER, MA MSA	25	9240	182085	-0.96	12.62	13.46	152
SALINAS-SEASIDE-MONTEREY, CA MS	6	7120	131240	-0.74	5.02	5.72	153
SOUTH BEND-MISHAWAKA, IN MSA	18	7800	104602	-0.60	11.18	11.70	154
EAU CLAIRE, WI MSA	55	2290	53810	-0.51	5.19	5.66	155
FORT MYERS-CAPE CORAL, FL MSA	12	2700	77012	-0.38	5.20	5.56	156
JOHNSTOWN, PA MSA	42	3680	88951	-0.35	8.08	8.40	157
BROWNSVILLE-HARLINGEN, TX MSA	48	1240	69424	-0.23	5.36	5.58	158
LEWISTON-AUBURN, ME MSA	23	4240	37153	-0.15	14.29	14.42	159
PASCAGOULA, MS MSA	28	6025	47320	-0.15	17.98	18.10	160
UTICA-ROME, NY MSA	36	8680	124178	-0.09	5.73	5.82	161
CHARLESTON, SC MSA	45	1440	188456	-0.06	3.60	3.66	162
IOWA CITY, IA MSA	19	3500	41934	-0.02	11.42	11.44	163
SCRANTON--WILKES-BARRE, PA MSA	42	7560	283869	-0.00	5.96	5.96	164
ORLANDO, FL MSA	12	5960	324943	0.01	4.38	4.37	165
YOUNGSTOWN-WARREN, OH MSA	39	9320	202531	0.08	8.32	8.25	166
LAWTON, OK MSA	40	4200	51836	0.18	4.34	4.17	167
LAS VEGAS, NV MSA	32	4120	227200	0.23	2.81	2.59	168
PHOENIX, AZ MSA	4	6200	658854	0.33	1.86	1.54	169
STOCKTON, CA MSA	6	8120	132978	0.35	7.74	7.41	170
MELBOURNE-TITUSVILLE-PALM BAY,	12	4900	115486	0.39	4.41	4.03	171
LUBBOCK, TX MSA	48	4600	98932	0.54	4.22	3.70	172
NORWALK, CT PMSA	9	5760	65689	0.56	41.10	40.78	173
JOHNSON CITY-KINGSPORT-BRISTOL,	47	3660	137508	0.63	9.23	8.65	174
REDDING, CA MSA	6	6690	39804	0.76	5.07	4.35	175
COLUMBIA, MO MSA	29	1740	49523	0.79	8.25	7.53	176
SAVANNAH, GA MSA	13	7520	89003	0.79	7.42	6.69	177
PANAMA CITY, FL MSA	12	6015	40405	0.81	6.03	5.27	178
BENTON HARBOR, MI MSA	26	870	67156	0.83	12.14	11.41	179
TUSCALOOSA, AL MSA	1	8600	52808	0.88	8.83	8.03	180
SAN ANGELO, TX MSA	48	7200	40419	0.89	3.91	3.06	181
ENID, OK MSA	40	2340	28376	0.92	6.67	5.81	182
KILLEEN-TEMPLE, TX MSA	48	3810	103192	0.92	5.19	4.32	183
NASHVILLE, TN MSA	47	5360	387477	1.02	4.49	3.52	184
BLOOMINGTON-NORMAL, IL MSA	17	1040	55675	1.15	8.69	7.64	185

GARY-HAMMOND, IN PMSA	18	2960	253319	1.22	12.16	11.09	186
MUSKEGON, MI MSA	26	5320	59513	1.22	11.72	10.64	187
PUEBLO, CO MSA	8	6560	46555	1.32	4.46	3.20	188
ALEXANDRIA, LA MSA	22	220	49431	1.33	9.73	8.54	189
ATHENS, GA MSA	13	500	57396	1.37	12.61	11.41	190
COLORADO SPRINGS, CO MSA	8	1720	142361	1.41	5.49	4.16	191
ANCHORAGE, AK MSA	2	380	85685	1.44	4.87	3.50	192
BOISE CITY, ID MSA	16	1080	79501	1.45	7.05	5.70	193
SALT LAKE CITY-OGDEN, UT MSA	49	7160	384078	1.46	3.81	2.41	194
ROCHESTER, NY MSA	36	6840	427779	1.50	3.96	2.52	195
COLUMBIA, SC MSA	45	1760	194083	1.51	7.84	6.45	196
SPOKANE, WA MSA	53	7840	139832	1.51	4.30	2.86	197
BEAUMONT-PORT ARTHUR, TX MSA	48	840	149587	1.52	6.17	4.74	198
CORPUS CHRISTI, TX MSA	48	1880	136909	1.59	5.69	4.19	199
SAN ANTONIO, TX MSA	48	7240	449090	1.62	3.72	2.16	200
LAREDO, TX MSA	48	4080	32459	1.63	4.36	2.80	201
ALBANY-SCHENECTADY-TROY, NY MSA	36	160	355491	1.66	6.38	4.82	202
BILLINGS, MT MSA	30	880	48589	1.68	5.00	3.41	203
LAKELAND-WINTER HAVEN, FL MSA	12	3980	130133	1.68	7.84	6.30	204
TULSA, OK MSA	40	8560	302023	1.69	5.19	3.58	205
BUFFALO, NY PMSA	36	1280	408061	1.84	6.48	4.76	206
ATLANTA, GA MSA	13	520	995028	1.85	4.06	2.29	207
SYRACUSE, NY MSA	36	8160	266005	1.91	5.33	3.52	208
DENVER, CO PMSA	8	2080	711495	1.97	5.04	3.16	209
NEW ORLEANS, LA MSA	22	5560	510747	1.99	5.96	4.09	210
GREENSBORO--WINSTON-SALEM--HIGH	37	3120	406629	1.99	6.12	4.24	211
KNOXVILLE, TN MSA	47	3840	237180	2.01	7.71	5.85	212
OKLAHOMA CITY, OK MSA	40	5880	395274	2.02	4.25	2.31	213
MINNEAPOLIS-ST. PAUL, MN-WI MSA	27	5120	1036412	2.02	3.44	1.48	214
COLUMBUS, OH MSA	39	1840	550284	2.05	4.38	2.42	215
PITTSBURGH, PA PMSA	42	6280	885417	2.07	6.03	4.09	216
SHARON, PA MSA	42	7610	49305	2.09	17.67	15.95	217
DULUTH, MN-WI MSA	27	2240	86760	2.11	8.10	6.16	218
AUSTIN, TX MSA	48	640	260229	2.12	4.90	2.88	219
BIRMINGHAM, AL MSA	1	1000	353898	2.13	5.26	3.24	220
SANTA BARBARA-SANTA MARIA-LOMPO	6	7480	136794	2.20	6.12	4.05	221
ATLANTIC CITY, NJ MSA	34	560	109832	2.27	12.24	10.25	222
NEWARK, NJ PMSA	34	5640	827457	2.30	23.58	21.82	223
WACO, TX MSA	48	8800	72045	2.33	6.62	4.45	224
SHERMAN-DENISON, TX MSA	48	7640	39187	2.39	10.99	8.86	225
FRESNO, CA MSA	6	2840	208402	2.41	6.40	4.15	226
LITTLE ROCK-NORTH LITTLE ROCK,	5	4400	205906	2.41	5.43	3.16	227
INDIANAPOLIS, IN MSA	18	3480	523549	2.53	4.78	2.37	228
HAGERSTOWN, MD MSA	24	3180	48830	2.61	19.73	17.64	229
MUNCIE, IN MSA	18	5280	52395	2.61	12.93	10.66	230
LINCOLN, NE MSA	31	4360	99742	2.68	6.09	3.58	231
MILWAUKEE, WI PMSA	55	5080	643007	2.75	4.41	1.78	232
MADISON, WI MSA	55	4720	165850	2.80	6.60	3.99	233
CHAMPAIGN-URBANA-RANTOUL, IL MS	17	1400	83127	2.81	8.03	5.45	234
HOUSTON, TX PMSA	48	3360	1342389	2.82	4.84	2.16	235
LAS CRUCES, NM MSA	35	4100	34552	2.85	12.58	10.09	236
JACKSON, MS MSA	28	3560	153883	2.90	6.86	4.16	237
MONROE, LA MSA	22	5200	51827	2.93	9.39	6.74	238
APPLETON-OSHKOSH-NEENAH, WI MSA	55	460	129799	2.93	7.70	4.99	239
ROCKFORD, IL MSA	17	6880	126557	2.99	8.50	5.76	240
BRYAN-COLLEGE STATION, TX MSA	48	1260	40547	3.02	10.13	7.42	241
RENO, NV MSA	32	6720	104341	3.03	6.88	4.06	242
SAGINAW-BAY CITY-MIDLAND, MI MS	26	6960	156154	3.03	8.20	5.42	243
ERIE, PA MSA	42	2360	114032	3.14	5.80	2.84	244
BINGHAMTON, NY MSA	36	960	113400	3.22	9.44	6.52	245
RICHMOND-PETERSBURG, VA MSA	51	6760	359336	3.25	5.46	2.39	246
WILLIAMSPORT, PA MSA	42	9140	47215	3.25	9.89	6.96	247
WEST PALM BEACH-BOCA RATON-DELR	12	8960	232258	3.28	10.35	7.41	248
JOPLIN, MO MSA	29	3710	51083	3.29	9.78	6.80	249
SHREVEPORT, LA MSA	22	7680	142810	3.33	7.02	3.92	250
PHILADELPHIA, PA-NJ PMSA	42	6160	1519796	3.37	8.94	5.87	251
MANCHESTER, NH MSA	33	4760	61700	3.40	21.64	18.98	252
DAYTON-SPRINGFIELD, OH MSA	39	2000	387991	3.49	6.96	3.71	253
FORT WALTON BEACH, FL MSA	12	2750	47717	3.59	8.73	5.46	254
GAINESVILLE, FL MSA	12	2900	70611	3.65	11.20	7.95	255
PROVIDENCE, RI PMSA	44	6480	274341	3.67	15.89	12.80	256
MONTGOMERY, AL MSA	1	5240	111222	3.68	7.65	4.26	257
ELMIRA, NY MSA	36	2335	37854	3.72	15.42	12.28	258
BAKERSFIELD, CA MSA	6	680	161906	3.75	6.84	3.35	259
LANSING-EAST LANSING, MI MSA	26	4040	185292	3.83	8.87	5.38	260
WICHITA, KS MSA	20	9040	198951	4.10	5.35	1.46	261
WILMINGTON, DE-NJ-MD PMSA	10	9160	178465	4.13	14.69	11.16	262
CHICAGO, IL PMSA	17	1600	2684432	4.22	7.36	3.45	263
NEW LONDON-NORWICH, CT-RI MSA	9	5520	104869	4.23	13.96	10.32	264
SEATTLE, WA PMSA	53	7600	772276	4.24	6.65	2.70	265
TALLAHASSEE, FL MSA	12	8240	85890	4.24	8.78	4.91	266
ALBUQUERQUE, NM MSA	35	200	184436	4.26	7.60	3.66	267
AUGUSTA, GA-SC MSA	13	600	106545	4.34	12.88	9.10	268
WILMINGTON, DE-NJ-MD PMSA	34	9160	25020	4.37	33.79	30.90	269
GREEN BAY, WI MSA	55	3080	76461	4.39	9.13	5.14	270
DES MOINES, IA MSA	19	2120	176920	4.55	6.86	2.62	271
FAYETTEVILLE, NC MSA	37	2560	114266	4.62	10.01	5.85	272
MANSFIELD, OH MSA	39	4800	52839	4.63	13.11	9.08	273
ANNISTON, AL MSA	1	450	49465	4.71	11.95	7.81	274
SIOUX FALLS, SD MSA	46	7760	52657	4.80	8.09	3.68	275
MIDLAND, TX MSA	48	5040	40910	4.90	12.55	8.27	276
PORTSMOUTH-DOVER-ROCHESTER, NH-	33	6450	69127	4.99	22.51	18.65	277
GLENS FALLS, NY MSA	36	2975	40833	5.02	18.03	13.92	278
ASHEVILLE, NC MSA	37	480	70300	5.04	11.45	6.98	279

MACON-WARNER ROBINS, GA MSA	13	4680	108720	5.06	10.58	6.05	280
PEORIA, IL MSA	17	6120	156516	5.17	7.78	3.01	281
JACKSONVILLE, NC MSA	37	3605	59450	5.17	9.15	4.45	282
PORTLAND, OR PMSA	41	6440	512678	5.24	7.47	2.62	283
SIOUX CITY, IA-NE MSA	19	7720	43597	5.25	14.42	9.92	284
TOLEDO, OH MSA	39	8400	246028	5.26	10.04	5.31	285
SAN JOSE, CA PMSA	6	7400	651358	5.32	12.80	8.16	286
CHARLOTTE-GASTONIA-ROCK HILL, N	37	1520	424239	5.32	9.51	4.69	287
HUNTINGTON-ASHLAND, WV-KY-OH MS	21	3400	39707	5.35	17.12	12.68	288
GRAND FORKS, ND MSA	38	2985	30879	5.36	10.83	6.05	289
MIAMI-HIALEAH, FL PMSA	12	5000	728431	5.43	8.85	3.90	290
RICHLAND-KENNEWICK-PASCO, WA MS	53	6740	64605	5.45	9.55	4.62	291
LAFAYETTE, LA MSA	22	3880	83522	5.47	16.31	11.73	292
TYLER, TX MSA	48	8640	56308	5.48	12.53	7.73	293
NAPLES, FL MSA	12	5345	33614	5.56	10.55	5.58	294
HARRISBURG-LEBANON-CARLISLE, PA	42	3240	253206	5.62	12.26	7.32	295
FAYETTEVILLE-SPRINGDALE, AR MSA	5	2580	43311	5.63	11.55	6.57	296
BILOXI-GULFPORT, MS MSA	28	920	73293	5.63	14.53	9.72	297
CLEVELAND, OH PMSA	39	1680	819843	5.65	8.55	3.38	298
GRAND RAPIDS, MI MSA	26	3000	266380	5.66	9.23	4.08	299
LOS ANGELES-LONG BEACH, CA PMSA	6	4480	3380069	5.72	9.30	4.11	300
LAKE CHARLES, LA MSA	22	3960	68228	5.81	12.75	7.68	301
GREENVILLE-SPARTANBURG, SC MSA	45	3160	255514	5.94	9.90	4.55	302
PORTLAND, ME MSA	23	6400	86417	6.02	13.20	7.98	303
KANSAS CITY, MO-KS MSA	29	3760	425176	6.13	16.87	11.78	304
TERRE HAUTE, IN MSA	18	8320	57090	6.15	12.55	7.16	305
LEXINGTON-FAYETTE, KY MSA	21	4280	143976	6.17	10.47	4.94	306
EVANSVILLE, IN-KY MSA	18	2440	102724	6.21	9.61	4.00	307
ABILENE, TX MSA	48	40	52248	6.29	10.35	4.71	308
SPRINGFIELD, MO MSA	29	7920	88570	6.39	9.87	4.11	309
ST. LOUIS, MO-IL PMSA	29	7040	783261	6.50	8.53	2.58	310
FORT WAYNE, IN MSA	18	2760	153198	6.64	9.88	3.90	311
ALTOONA, PA MSA	42	280	51255	6.71	11.81	5.89	312
CHARLESTON, WV MSA	54	1480	108762	6.73	10.60	4.59	313
WICHITA FALLS, TX MSA	48	9080	59096	6.86	8.48	2.20	314
MEMPHIS, TN-AR-MS MSA	47	4920	337891	6.87	9.59	3.38	315
SPRINGFIELD, IL MSA	17	7890	88839	6.99	10.34	4.07	316
RALEIGH-DURHAM, NC MSA	37	6640	275652	7.05	10.72	4.43	317
DALLAS, TX PMSA	48	1920	980864	7.09	10.05	3.67	318
OMAHA, NE-IA MSA	31	5920	233894	7.22	9.91	3.40	319
STATE COLLEGE, PA MSA	42	8050	45949	7.47	13.59	7.14	320
BLOOMINGTON, IN MSA	18	1020	42358	7.53	15.33	8.95	321
PARKERSBURG-MARIETTA, WV-OH MSA	54	6020	35925	7.66	21.35	15.32	322
CEDAR RAPIDS, IA MSA	19	1360	82032	7.76	10.42	3.46	323
KALAMAZOO, MI MSA	26	3720	95710	7.88	15.25	8.57	324
VINELAND-MILLVILLE-BRIDGETON, N	34	8760	51244	7.89	19.95	13.63	325
PINE BLUFF, AR MSA	5	6240	32675	8.03	13.76	6.84	326
FLORENCE, SC MSA	45	2655	45015	8.06	17.46	10.80	327
WILMINGTON, NC MSA	37	9200	44469	8.09	16.21	9.43	328
WATERLOO-CEDAR FALLS, IA MSA	19	8920	71063	8.20	10.35	3.00	329
FLINT, MI MSA	26	2640	165106	8.21	12.22	5.02	330
HUNTINGTON-ASHLAND, WV-KY-OH MS	54	3400	55143	8.30	18.01	11.21	331
HICKORY, NC MSA	37	3290	100534	8.32	13.58	6.39	332
BATTLE CREEK, MI MSA	26	780	56154	8.38	15.52	8.44	333
ROANOKE, VA MSA	51	6800	98347	8.39	12.32	4.96	334
SARASOTA, FL MSA	12	7510	73281	8.54	14.53	7.23	335
LOUISVILLE, KY-IN MSA	21	4520	327529	8.63	12.33	4.76	336
SIOUX CITY, IA-NE MSA	31	7720	7114	9.02	45.99	41.12	337
BOSTON, MA PMSA	25	1120	1325341	9.08	14.16	6.37	338
SANTA FE, NM MSA	35	7490	41255	9.17	13.04	5.07	339
DAVENPORT-ROCK ISLAND-MOLINE, I	17	1960	94408	9.27	19.57	12.11	340
BURLINGTON, VT MSA	50	1305	52771	9.28	13.42	5.39	341
ST. JOSEPH, MO MSA	29	7000	34836	9.30	15.94	8.13	342
TEXARKANA, TX-TEXARKANA, AR MSA	48	8360	29610	9.48	26.51	19.54	343
ALBANY, GA MSA	13	120	46412	9.55	14.10	5.90	344
PITTSFIELD, MA MSA	25	6320	36263	9.56	15.58	7.51	345
LAFAYETTE, IN MSA	18	3920	55263	9.63	12.42	3.99	346
CHARLOTTESVILLE, VA MSA	51	1540	54125	9.67	13.38	5.00	347
LIMA, OH MSA	39	4320	62435	10.33	16.14	7.48	348
DECATUR, IL MSA	17	2040	55071	10.45	14.36	5.41	349
LA CROSSE, WI MSA	55	3870	41165	10.59	14.08	4.99	350
TOPEKA, KS MSA	20	8440	75153	10.60	12.68	3.42	351
LONGVIEW-MARSHALL, TX MSA	48	4420	65581	10.85	17.98	9.08	352
DOTHAN, AL MSA	1	2180	51927	11.53	18.54	9.15	353
NEW YORK, NY PMSA	36	5600	3384885	12.04	15.87	5.74	354
ROCHESTER, MN MSA	27	6820	46247	12.28	14.25	3.72	355
CUMBERLAND, MD-WV MSA	24	1900	30214	12.35	19.11	9.13	356
KOKOMO, IN MSA	18	3850	41616	12.38	16.99	6.55	357
HUNTSVILLE, AL MSA	1	3440	85380	12.89	15.60	4.72	358
CINCINNATI, OH-KY-IN PMSA	39	1640	464337	13.09	18.16	7.45	359
HARTFORD, CT PMSA	9	3280	347486	13.09	19.79	9.28	360
WHEELING, WV-OH MSA	54	9000	29047	13.35	23.89	13.72	361
FARGO-MOORHEAD, ND-MN MSA	38	2520	42296	13.81	20.70	9.75	362
COLUMBUS, GA-AL MSA	13	1800	86834	13.93	17.31	5.79	363
SAN FRANCISCO, CA PMSA	6	7360	753195	13.95	21.33	10.35	364
BANGOR, ME MSA	23	730	35831	14.25	16.95	5.11	365
LYNCHBURG, VA MSA	51	4640	62291	15.54	17.64	4.84	366
FORT SMITH, AR-OK MSA	5	2720	54306	15.71	16.51	3.40	367
CHATTANOOGA, TN-GA MSA	47	1560	134342	16.31	19.57	6.45	368
DUBUQUE, IA MSA	19	2200	41493	16.41	17.48	3.93	369
STAMFORD, CT PMSA	9	8040	97580	17.32	38.36	27.68	370
STEUBENVILLE-WEIRTON, OH-WV MSA	54	8080	26633	17.67	32.55	20.63	371
ELKHART-GOSHEN, IN MSA	18	2330	60373	17.97	22.57	8.66	372
ANN ARBOR, MI PMSA	26	440	125828	19.32	28.31	14.46	373

TRENTON, NJ PMSA	34	8480	139378	19.46	31.27	17.90	374
CLARKSVILLE-HOPKINSVILLE, TN-KY	21	1660	30813	40.70	35.04	8.60	375
WASHINGTON, DC-MD-VA MSA	11	8840	295399	120.74	64.10	20.76	376

TABLE C.4

AREA NAME	STATE FIPS	MSA CODE	A RESIDE IN AREA	Excess Employment 100*(B-A)/A	Commuting In 100*(B-C)/B	Commuting Out 100*(A-C)/A	Rank by Commute In
HONOLULU, HI MSA	15	3320	368253	-2.23	0.93	3.14	1
TUCSON, AZ MSA	4	8520	220820	-1.61	1.52	3.11	2
SAN DIEGO, CA MSA	6	7320	853666	-4.05	1.66	5.65	3
GREAT FALLS, MT MSA	30	3040	36531	-1.72	1.71	3.40	4
PHOENIX, AZ MSA	4	6200	658854	0.33	1.86	1.54	5
TAMPA-ST. PETERSBURG-CLEARWATER	12	8280	622490	-1.04	2.07	3.09	6
EL PASO, TX MSA	48	2320	181508	-1.59	2.31	3.86	7
DETROIT, MI PMSA	26	2160	1761750	-1.53	2.42	3.90	8
EUGENE-SPRINGFIELD, OR MSA	41	2400	113935	-1.04	2.43	3.44	9
AMARILLO, TX MSA	48	320	82479	-3.71	2.49	6.10	10
LAS VEGAS, NV MSA	32	4120	227200	0.23	2.81	2.59	11
MEDFORD, OR MSA	41	4890	50668	-2.30	2.92	5.16	12
JACKSONVILLE, FL MSA	12	3600	311294	-1.41	3.07	4.44	13
MCALLEN-EDINBURG-MISSION, TX MS	48	4880	92429	-2.24	3.24	5.41	14
YAKIMA, WA MSA	53	9260	68965	-3.37	3.34	6.60	15
PROVO-OREM, UT MSA	49	6520	75860	-6.73	3.35	9.85	16
SACRAMENTO, CA MSA	6	6920	471851	-1.59	3.37	4.90	17
MINNEAPOLIS-ST. PAUL, MN-WI MSA	27	5120	1036412	2.02	3.44	1.48	18
CHARLESTON, SC MSA	45	1440	188456	-0.06	3.60	3.66	19
SAN ANTONIO, TX MSA	48	7240	449090	1.62	3.72	2.16	20
SALT LAKE CITY-OGDEN, UT MSA	49	7160	384078	1.46	3.81	2.41	21
SAN ANGELO, TX MSA	48	7200	40419	0.89	3.91	3.06	22
BISMARCK, ND MSA	38	1010	37381	-1.39	3.91	5.25	23
ROCHESTER, NY MSA	36	6840	427779	1.50	3.96	2.52	24
BELLINGHAM, WA MSA	53	860	42908	-1.01	4.05	5.02	25
ATLANTA, GA MSA	13	520	995028	1.85	4.06	2.29	26
NORFOLK-VIRGINIA BEACH-NEWPORT	51	5720	531647	-3.21	4.14	7.21	27
LUBBOCK, TX MSA	48	4600	98932	0.34	4.22	3.70	28
OKLAHOMA CITY, OK MSA	40	5880	395274	2.02	4.25	2.31	29
SPOKANE, WA MSA	53	7840	139832	1.51	4.30	2.86	30
LAWTON, OK MSA	40	4200	51836	0.18	4.34	4.17	31
LAREDO, TX MSA	48	4080	32459	1.63	4.36	2.80	32
COLUMBUS, OH MSA	39	1840	550284	2.05	4.38	2.42	33
ORLANDO, FL MSA	12	5960	324943	0.01	4.38	4.37	34
PENSACOLA, FL MSA	12	6080	118974	-1.25	4.40	5.60	35
MILWAUKEE, WI PMSA	55	5080	643007	2.75	4.41	1.78	36
MELBOURNE-TITUSVILLE-PALM BAY,	12	4900	115486	0.39	4.41	4.03	37
MOBILE, AL MSA	1	5160	169111	-2.02	4.42	6.35	38
PUEBLO, CO MSA	8	6560	46555	1.32	4.46	3.20	39
NASHVILLE, TN MSA	47	5360	387477	1.02	4.49	3.52	40
BALTIMORE, MD MSA	24	720	979973	-4.50	4.64	8.93	41
VISALIA-TULARE-PORTERVILLE, CA	6	8780	92697	-4.58	4.65	9.02	42
INDIANAPOLIS, IN MSA	18	3480	523549	2.53	4.78	2.37	43
HOUSTON, TX PMSA	48	3360	1342389	2.82	4.84	2.16	44
ANCHORAGE, AK MSA	2	380	85685	1.44	4.87	3.50	45
AUSTIN, TX MSA	48	640	260229	2.12	4.90	2.89	46
BILLINGS, MT MSA	30	880	48589	1.68	5.00	3.41	47
SALINAS-SEASIDE-MONTEREY, CA MS	6	7120	131240	-0.74	5.02	5.72	48
DENVER, CO PMSA	8	2080	711495	1.97	5.04	3.16	49
REDDING, CA MSA	6	6690	39804	0.76	5.07	4.35	50
OXNARD-VENTURA, CA PMSA	6	6000	234855	-22.16	5.14	26.16	51
SANTA ROSA-PETALUMA, CA PMSA	6	7500	128561	-13.08	5.16	17.57	52
EAU CLAIRE, WI MSA	55	2290	53810	-0.51	5.19	5.66	53
TULSA, OK MSA	40	8560	302023	1.69	5.19	3.58	54
KILLEEN-TEMPLE, TX MSA	48	3810	103192	0.92	5.19	4.32	55
FORT MYERS-CAPE CORAL, FL MSA	12	2700	77012	-0.38	5.20	5.56	56
BIRMINGHAM, AL MSA	1	1000	353898	2.13	5.26	3.24	57
SYRACUSE, NY MSA	36	8160	266005	1.91	5.33	3.52	58
WICHITA, KS MSA	20	9040	198951	4.10	5.35	1.46	59
BROWNSVILLE-HARLINGEN, TX MSA	48	1240	69424	-0.23	5.36	5.58	60
LITTLE ROCK-NORTH LITTLE ROCK,	5	4400	205906	2.41	5.43	3.16	61
RICHMOND-PETERSBURG, VA MSA	51	6760	359336	3.25	5.46	2.39	62
COLORADO SPRINGS, CO MSA	8	1720	142361	1.41	5.49	4.16	63
DAYTONA BEACH, FL MSA	12	2020	93064	-2.51	5.68	8.04	64
CORPUS CHRISTI, TX MSA	48	1880	136909	1.59	5.69	4.19	65
UTICA-ROME, NY MSA	36	8680	124178	-0.09	5.73	5.82	66
ERIE, PA MSA	42	2360	114032	3.14	5.80	2.84	67
CHICO, CA MSA	6	1620	52420	-1.69	5.89	7.48	68
SCRANTON--WILKES-BARRE, PA MSA	42	7560	283869	-0.00	5.96	5.96	69
NEW ORLEANS, LA MSA	22	5560	510747	1.99	5.96	4.09	70
PANAMA CITY, FL MSA	12	6015	40405	0.81	6.03	5.27	71
PITTSBURGH, PA PMSA	42	6280	885417	2.07	6.03	4.09	72
LINCOLN, NE MSA	31	4360	99742	2.68	6.09	3.58	73
GREENSBORO--WINSTON-SALEM--HIGH	37	3120	406629	1.99	6.12	4.24	74
SANTA BARBARA-SANTA MARIA-LOMPO	6	7480	136794	2.20	6.12	4.05	75
BEAUMONT-PORT ARTHUR, TX MSA	48	840	149587	1.52	6.17	4.74	76
RIVERSIDE-SAN BERNARDINO, CA PM	6	6780	611843	-12.45	6.22	17.89	77
CASPER, WY MSA	56	1350	35938	-1.45	6.26	7.62	78
SHEBOYGAN, WI MSA	55	7620	46436	-1.17	6.34	7.43	79
ALBANY-SCHENECTADY-TROY, NY MSA	36	160	355491	1.66	6.38	4.82	80
FRESNO, CA MSA	6	2840	208402	2.41	6.40	4.15	81
BUFFALO, NY PMSA	36	1280	408061	1.84	6.48	4.76	82
LANCASTER, PA MSA	42	4000	168098	-2.52	6.53	8.89	83
FORT COLLINS-LOVELAND, CO MSA	8	2670	71478	-4.53	6.56	10.79	84
ODESSA, TX MSA	48	5800	55811	-4.79	6.60	11.07	85
MADISON, WI MSA	55	4720	165850	2.80	6.60	3.99	86
WACO, TX MSA	48	8800	72045	2.33	6.62	4.45	87
SEATTLE, WA PMSA	53	7600	772276	4.24	6.65	2.70	88
ENID, OK MSA	40	2340	28376	0.92	6.67	5.81	89
MONMOUTH-OCEAN, NJ PMSA	34	5190	332542	-22.49	6.72	27.71	90
BAKERSFIELD, CA MSA	6	680	161906	3.75	6.84	3.35	91

DES MOINES, IA MSA	19	2120	176920	4.55	6.86	2.62	92
JACKSON, MS MSA	28	3560	153883	2.90	6.86	4.16	93
RENO, NV MSA	32	6720	104341	3.03	6.88	4.06	94
DAYTON-SPRINGFIELD, OH MSA	39	2000	387991	3.49	6.96	3.71	95
VANCOUVER, WA PMSA	53	8725	78890	-29.30	6.97	34.23	96
SHREVEPORT, LA MSA	22	7680	142810	3.33	7.02	3.92	97
BOISE CITY, ID MSA	16	1080	79501	1.45	7.05	5.70	98
MODESTO, CA MSA	6	5170	102493	-2.36	7.16	9.36	99
CHICAGO, IL PMSA	17	1600	2684432	4.22	7.36	3.45	100
SAVANNAH, GA MSA	13	7520	89003	0.79	7.42	6.69	101
PORTLAND, OR PMSA	41	6440	512678	5.24	7.47	2.62	102
WAUSAU, WI MSA	55	8940	48397	-1.94	7.51	9.31	103
ALBUQUERQUE, NM MSA	35	200	184436	4.26	7.60	3.66	104
OCALA, FL MSA	12	5790	42411	-4.88	7.65	12.15	105
MONTGOMERY, AL MSA	1	5240	111222	3.68	7.65	4.26	106
APPLETON-OSHKOSH-NEENAH, WI MSA	55	460	129799	2.93	7.70	4.99	107
KNOXVILLE, TN MSA	47	3840	237180	2.01	7.71	5.85	108
STOCKTON, CA MSA	6	8120	132978	0.35	7.74	7.41	109
FORT WORTH-ARLINGTON, TX PMSA	48	2800	470044	-11.35	7.75	18.22	110
PEORIA, IL MSA	17	6120	156516	5.17	7.78	3.01	111
ALLENTOWN-BETHLEHEM, PA-NJ MSA	42	240	244479	-1.64	7.79	9.30	112
YUBA CITY, CA MSA	6	9340	36946	-3.03	7.83	10.62	113
SPRINGFIELD, MA MSA	25	8000	228345	-1.91	7.84	9.60	114
COLUMBIA, SC MSA	45	1760	194083	1.51	7.84	6.45	115
LAKELAND-WINTER HAVEN, FL MSA	12	3980	130133	1.68	7.84	6.30	116
ST. CLOUD, MN MSA	27	6980	68787	-5.36	8.00	12.93	117
CHAMPAIGN-URBANA-RANTOUL, IL MS	17	1400	83127	2.81	8.03	5.45	118
BATON ROUGE, LA MSA	22	760	204909	-2.17	8.05	10.05	119
YORK, PA MSA	42	9280	177428	-7.52	8.06	14.96	120
SALEM, OR MSA	41	7080	99694	-3.55	8.07	11.34	121
JOHNSTOWN, PA MSA	42	3680	88951	-0.35	8.08	8.40	122
SIOUX FALLS, SD MSA	46	7760	52657	4.80	8.09	3.68	123
DULUTH, MN-WI MSA	27	2240	86760	2.11	8.10	6.16	124
SAGINAW-BAY CITY-MIDLAND, MI MS	26	6960	156154	3.03	8.20	5.42	125
COLUMBIA, MO MSA	29	1740	49523	0.79	8.25	7.53	126
NASSAU-SUFFOLK, NY PMSA	36	5380	1139188	-19.47	8.26	26.12	127
KANKAKEE, IL MSA	17	3740	41045	-4.58	8.27	12.47	128
YOUNGSTOWN-WARREN, OH MSA	39	9320	202531	0.08	8.32	8.25	129
WICHITA FALLS, TX MSA	48	9080	59096	6.86	8.48	2.20	130
TACOMA, WA PMSA	53	8200	204609	-10.83	8.50	18.41	131
ROCKFORD, IL MSA	17	6880	126557	2.99	8.50	5.76	132
ST. LOUIS, MO-IL PMSA	29	7040	783261	6.50	8.53	2.58	133
CLEVELAND, OH PMSA	39	1680	819843	5.65	8.55	3.38	134
DANVILLE, VA MSA	51	1950	49658	-7.05	8.63	15.07	135
BLOOMINGTON-NORMAL, IL MSA	17	1040	55675	1.15	8.69	7.64	136
OWENSBORO, KY MSA	21	5990	34631	-5.84	8.72	14.05	137
FORT WALTON BEACH, FL MSA	12	2750	47717	3.59	8.73	5.46	138
TALLAHASSEE, FL MSA	12	8240	85890	4.24	8.78	4.91	139
FORT LAUDERDALE-HOLLYWOOD-POMPA	12	2680	424649	-10.13	8.82	18.06	140
TUSCALOOSA, AL MSA	1	8600	52808	0.88	8.83	8.03	141
MIAMI-HIALEAH, FL PMSA	12	5000	728431	5.43	8.85	3.90	142
SANTA CRUZ, CA PMSA	6	7485	81628	-14.85	8.86	22.39	143
LANSING-EAST LANSING, MI MSA	26	4040	185292	3.83	8.87	5.38	144
PHILADELPHIA, PA-NJ PMSA	42	6160	1519796	3.37	8.94	5.87	145
GREEN BAY, WI MSA	55	3080	76461	4.39	9.13	5.14	146
JACKSONVILLE, NC MSA	37	3605	59450	5.17	9.15	4.45	147
JOHNSON CITY-KINGSPORT-BRISTOL,	47	3660	137508	0.63	9.23	8.65	148
GRAND RAPIDS, MI MSA	26	3000	266380	5.66	9.23	4.08	149
HOUMA-THIBODAUX, LA MSA	22	3350	68475	-5.19	9.26	13.97	150
LOS ANGELES-LONG BEACH, CA PMSA	6	4480	3380069	5.72	9.30	4.11	151
MONROE, LA MSA	22	5200	51827	2.93	9.39	6.74	152
BINGHAMTON, NY MSA	36	960	113400	3.22	9.44	6.52	153
CHARLOTTE-GASTONIA-ROCK HILL, N	37	1520	424239	5.32	9.51	4.69	154
RICHLAND-KENNEWICK-PASCO, WA MS	53	6740	64605	5.45	9.55	4.62	155
MEMPHIS, TN-AR-MS MSA	47	4920	337891	6.87	9.59	3.38	156
EVANSVILLE, IN-KY MSA	18	2440	102724	6.21	9.61	4.00	157
FLORENCE, AL MSA	1	2650	52570	-1.07	9.65	10.62	158
OAKLAND, CA PMSA	6	5775	806620	-10.37	9.72	19.08	159
ALEXANDRIA, LA MSA	22	220	49431	1.33	9.73	8.54	160
JOPLIN, MO MSA	29	3710	51083	3.29	9.78	6.80	161
BRADENTON, FL MSA	12	1140	52893	-8.34	9.78	17.31	162
SPRINGFIELD, MO MSA	29	7920	88570	6.39	9.87	4.11	163
JACKSON, MI MSA	26	3520	57673	-3.12	9.88	12.69	164
FORT WAYNE, IN MSA	18	2760	153198	6.64	9.88	3.90	165
WILLIAMSPORT, PA MSA	42	9140	47215	3.25	9.89	6.96	166
GREENVILLE-SPARTANBURG, SC MSA	45	3160	255514	5.94	9.90	4.55	167
OMAHA, NE-IA MSA	31	5920	233894	7.22	9.91	3.40	168
FAYETTEVILLE, NC MSA	37	2560	114266	4.62	10.01	5.85	169
TOLEDO, OH MSA	39	8400	246028	5.26	10.04	5.31	170
AGUADILLA, PR MSA	72	60	28517	-11.36	10.05	20.27	171
DALLAS, TX PMSA	48	1920	980864	7.09	10.05	3.67	172
VALLEJO-FAIRFIELD-NAPA, CA PMSA	6	8720	143231	-12.66	10.08	21.46	173
BRYAN-COLLEGE STATION, TX MSA	48	1260	40547	3.02	10.13	7.42	174
VICTORIA, TX MSA	48	8750	30672	-4.61	10.22	14.36	175
LAWRENCE, KS MSA	20	4150	32103	-2.50	10.25	12.49	176
SPRINGFIELD, IL MSA	17	7880	88839	6.99	10.34	4.07	177
ABILENE, TX MSA	48	40	52248	6.29	10.35	4.71	178
WEST PALM BEACH-BOCA RATON-DELR	12	8960	232258	3.28	10.35	7.41	179
WATERLOO-CEDAR FALLS, IA MSA	19	8920	71063	8.20	10.35	3.00	180
CLARKSVILLE-HOPKINSVILLE, TN-KY	47	1660	38077	-33.58	10.36	40.47	181
BREMERTON, WA MSA	53	1150	62060	-9.66	10.40	19.06	182
JANESVILLE-BELOIT, WI MSA	55	3620	55002	-3.92	10.41	13.92	183
CEDAR RAPIDS, IA MSA	19	1360	82032	7.76	10.42	3.46	184
FORT PIERCE, FL MSA	12	2710	57513	-2.63	10.44	12.79	185

LEXINGTON-FAYETTE, KY MSA	21	4280	143976	6.17	10.47	4.94	186
PHILADELPHIA, PA-NJ PMSA	34	6160	440558	-19.33	10.50	27.80	187
NAPLES, FL MSA	12	5345	33614	5.56	10.55	5.58	188
MACON-WARNER ROBINS, GA MSA	13	4680	108720	5.06	10.58	6.05	189
CHARLESTON, WV MSA	54	1480	108762	6.73	10.60	4.59	190
CANTON, OH MSA	39	1320	165018	-1.85	10.65	12.30	191
RALEIGH-DURHAM, NC MSA	37	6640	275652	7.05	10.72	4.43	192
GRAND FORKS, ND MSA	38	2985	30879	5.36	10.83	6.05	193
ARECIBO, PR MSA	72	470	30875	-10.67	10.90	20.40	194
NEW BEDFORD, MA MSA	25	5400	69227	-4.85	10.95	15.27	195
SHERMAN-DENISON, TX MSA	48	7640	39187	2.39	10.99	8.86	196
SOUTH BEND-MISHAWAKA, IN MSA	18	7800	104602	-0.60	11.18	11.70	197
GAINESVILLE, FL MSA	12	2900	70611	3.65	11.20	7.95	198
IOWA CITY, IA MSA	19	3500	41934	-0.02	11.42	11.44	199
FORT SMITH, AR-OK MSA	40	2720	10548	-31.76	11.43	39.56	200
ASHEVILLE, NC MSA	37	480	70300	5.04	11.45	6.98	201
LORAIN-ELYRIA, OH PMSA	39	4440	108607	-9.96	11.46	20.28	202
FAYETTEVILLE-SPRINGDALE, AR MSA	5	2580	43311	5.63	11.55	6.57	203
READING, PA MSA	42	6680	141649	-1.71	11.55	13.06	204
OLYMPIA, WA MSA	53	5910	52411	-7.94	11.59	18.61	205
GADSDEN, AL MSA	1	2880	37692	-1.03	11.65	12.55	206
MUSKEGON, MI MSA	26	5320	59513	1.22	11.72	10.64	207
SAN JUAN, PR PMSA	72	7440	351002	-9.19	11.80	19.91	208
ALTOONA, PA MSA	42	280	51255	6.71	11.81	5.89	209
ANNISTON, AL MSA	1	450	49465	4.71	11.95	7.81	210
GALVESTON-TEXAS CITY, TX PMSA	48	2920	89205	-13.02	12.01	23.46	211
GREELEY, CO MSA	8	3060	52720	-10.97	12.07	21.72	212
BENTON HARBOR, MI MSA	26	870	67156	0.83	12.14	11.41	213
GARY-HAMMOND, IN PMSA	18	2960	253319	1.22	12.16	11.09	214
FLINT, MI MSA	26	2640	165106	8.21	12.22	5.02	215
AKRON, OH PMSA	39	80	275367	-4.77	12.24	16.43	216
ATLANTIC CITY, NJ MSA	34	560	109832	2.27	12.24	10.25	217
HARRISBURG-LEBANON-CARLISLE, PA	42	3240	253206	5.62	12.26	7.32	218
ROANOKE, VA MSA	51	6800	98347	8.39	12.32	4.96	219
LOUISVILLE, KY-IN MSA	21	4520	327529	8.63	12.33	4.76	220
MAYAGUEZ, PR MSA	72	4840	50538	-5.60	12.35	17.26	221
LAFAYETTE, IN MSA	18	3920	55263	9.63	12.42	3.99	222
TYLER, TX MSA	48	8640	56308	5.48	12.53	7.73	223
RACINE, WI PMSA	55	6600	77301	-6.16	12.54	17.92	224
TERRE HAUTE, IN MSA	18	8320	57090	6.15	12.55	7.16	225
MIDLAND, TX MSA	48	5040	40910	4.90	12.55	8.27	226
LAS CRUCES, NM MSA	35	4100	34552	2.85	12.58	10.09	227
ATHENS, GA MSA	13	500	57396	1.37	12.61	11.41	228
WORCESTER, MA MSA	25	9240	182085	-0.96	12.62	13.46	229
TOPEKA, KS MSA	20	8440	75153	10.60	12.68	3.42	230
LAKE CHARLES, LA MSA	22	3960	68228	5.81	12.75	7.68	231
SAN JOSE, CA PMSA	6	7400	651358	5.32	12.80	8.16	232
AUGUSTA, GA-SC MSA	13	600	106545	4.34	12.86	9.10	233
MUNCIE, IN MSA	18	5280	52395	2.61	12.93	10.66	234
PONCE, PR MSA	72	6360	47851	-4.24	12.99	16.68	235
SANTA FE, NM MSA	35	7490	41255	9.17	13.04	5.07	236
MANSFIELD, OH MSA	39	4300	52839	4.63	13.11	9.08	237
ANDERSON, SC MSA	45	405	59203	-8.81	13.14	20.79	238
PORTLAND, ME MSA	23	6400	86417	6.02	13.20	7.98	239
CHARLOTTESVILLE, VA MSA	51	1540	54125	9.67	13.38	5.00	240
BURLINGTON, VT MSA	50	1305	52771	9.28	13.42	5.39	241
HICKORY, NC MSA	37	3290	100534	8.32	13.58	6.39	242
STATE COLLEGE, PA MSA	42	8050	45949	7.47	13.59	7.14	243
ANDERSON, IN MSA	18	400	54210	-2.23	13.74	15.66	244
PINE BLUFF, AR MSA	5	6240	32675	8.03	13.76	6.84	245
ST. LOUIS, MO-IL PMSA	17	7040	8573	-49.77	13.86	56.74	246
NEW LONDON-NORWICH, CT-RI MSA	9	5520	104869	4.23	13.96	10.32	247
LA CROSSE, WI MSA	55	3870	41165	10.59	14.08	4.99	248
ALBANY, GA MSA	13	120	46412	9.55	14.10	5.90	249
BOSTON, MA PMSA	25	1120	1325341	9.08	14.16	6.37	250
ROCHESTER, MN MSA	27	6820	46247	12.28	14.25	3.72	251
LEWISTON-AUBURN, ME MSA	23	4240	37153	-0.15	14.29	14.42	252
DECATUR, IL MSA	17	2040	55071	10.45	14.36	5.41	253
WATERBURY, CT MSA	9	8880	89657	-10.58	14.36	23.42	254
SIOUX CITY, IA-NE MSA	19	7720	43597	5.25	14.42	9.92	255
BILOXI-GULFPORT, MS MSA	28	920	73293	5.63	14.53	9.72	256
SARASOTA, FL MSA	12	7510	73281	8.54	14.53	7.23	257
WILMINGTON, DE-NJ-MD PMSA	10	9160	178465	4.13	14.69	11.16	258
MEMPHIS, TN-AR-MS MSA	5	4920	16102	-23.35	14.74	34.65	259
ANAHEIM-SANTA ANA, CA PMSA	6	360	962288	-6.81	14.74	20.54	260
ORANGE COUNTY, NY PMSA	36	5950	105688	-10.45	14.74	23.65	261
CAGUAS, PR PMSA	72	1310	55458	-20.78	14.91	32.59	262
NEW HAVEN-MERIDEN, CT MSA	9	5480	228055	-2.26	15.03	16.94	263
BURLINGTON, NC MSA	37	1300	48125	-5.20	15.05	19.46	264
BRIDGEPORT-MILFORD, CT PMSA	9	1160	200677	-7.96	15.06	21.82	265
KALAMAZOO, MI MSA	26	3720	95710	7.88	15.25	8.57	266
BLOOMINGTON, IN MSA	18	1020	42358	7.53	15.33	8.95	267
ELMIRA, NY MSA	36	2335	37854	3.72	15.42	12.28	268
CHARLOTTE-GASTONIA-ROCK HILL, N	45	1520	47949	-12.53	15.51	26.09	269
BATTLE CREEK, MI MSA	26	780	56154	8.38	15.52	8.44	270
PITTSFIELD, MA MSA	25	6320	36263	9.56	15.58	7.51	271
HUNTSVILLE, AL MSA	1	3440	85380	12.89	15.60	4.72	272
JOLIET, IL PMSA	17	3690	147860	-28.80	15.77	40.02	273
NEW YORK, NY PMSA	36	3600	3384885	12.04	15.87	5.74	274
PROVIDENCE, RI PMSA	44	6480	274341	3.67	15.89	12.30	275
ST. JOSEPH, MO MSA	29	7000	34836	9.30	15.94	8.13	276
POUGHKEEPSIE, NY MSA	36	6460	99801	-1.29	16.12	17.20	277
LIMA, OH MSA	39	4320	62435	10.33	16.14	7.48	278
WILMINGTON, NC MSA	37	9200	44469	8.09	16.21	9.43	279

NIAGARA FALLS, NY PMSA	36	5700	91781	-3.81	16.26	19.45	280
LAFAYETTE, LA MSA	22	3880	83522	5.47	16.31	11.73	281
DULUTH, MN-WI MSA	55	2240	16431	-2.58	16.34	18.50	282
CINCINNATI, OH-KY-IN PMSA	21	1640	110109	-30.01	16.43	41.51	283
KENOSHA, WI PMSA	55	3800	52963	-11.40	16.43	25.96	284
FORT SMITH, AR-OK MSA	5	2720	54306	15.71	16.51	3.40	285
EVANSVILLE, IN-KY MSA	21	2440	17419	-7.82	16.61	23.14	286
FITCHBURG-LEOMINSTER, MA MSA	25	2600	42749	-6.44	16.72	22.08	287
KANSAS CITY, MO-KS MSA	29	3760	425176	6.13	16.87	11.78	288
BANGOR, ME MSA	23	730	35831	14.25	16.95	5.11	289
KOKOMO, IN MSA	18	3850	41616	12.58	16.99	6.55	290
HUNTINGTON-ASHLAND, WV-KY-OH MS	21	3400	39707	5.35	17.12	12.68	291
COLUMBUS, GA-AL MSA	13	1800	86834	13.93	17.31	5.79	292
FLORENCE, SC MSA	45	2655	45015	8.06	17.46	10.80	293
DUBUQUE, IA MSA	19	2200	41493	16.41	17.48	3.93	294
BOULDER-LONGMONT, CO PMSA	8	1125	95409	-4.79	17.58	21.53	295
BRAZORIA, TX PMSA	48	1145	76617	-6.32	17.61	22.82	296
LYNCHBURG, VA MSA	51	4640	62291	15.54	17.64	4.84	297
SHARON, PA MSA	42	7610	49305	2.09	17.67	15.95	298
FALL RIVER, MA-RI PMSA	25	2480	59634	-9.51	17.72	25.54	299
EAST ST. LOUIS-BELLEVILLE, IL P	17	2285	113957	-15.69	17.83	30.73	300
LONGVIEW-MARSHALL, TX MSA	48	4420	65581	10.85	17.98	9.08	301
PASCAGOULA, MS MSA	28	6025	47320	-0.15	17.98	18.10	302
HUNTINGTON-ASHLAND, WV-KY-OH MS	54	3400	55143	8.30	18.01	11.21	303
GLENS FALLS, NY MSA	36	2975	40833	5.02	18.03	13.92	304
MINNEAPOLIS-ST. PAUL, MN-WI MSA	55	5120	19314	-27.15	18.05	40.30	305
ALTON-GRANITE CITY, IL PMSA	17	275	106669	-11.37	18.08	27.39	306
CINCINNATI, OH-KY-IN PMSA	39	1640	464337	13.09	18.16	7.45	307
SALEM-GLOUCESTER, MA PMSA	25	7090	124087	-18.65	18.42	33.64	308
HUNTINGTON-ASHLAND, WV-KY-OH MS	39	3400	20545	-38.75	18.49	50.08	309
DOTHAN, AL MSA	1	2180	51927	11.53	18.54	9.15	310
LOUISVILLE, KY-IN MSA	18	4520	74594	-24.20	18.56	38.27	311
OMAHA, NE-IA MSA	19	5920	37981	-26.86	18.62	40.47	312
DANBURY, CT PMSA	9	1930	80906	-15.16	18.63	30.96	313
DAVENPORT-ROCK ISLAND-MOLINE, I	19	1960	72181	-3.28	18.64	21.31	314
WASHINGTON, DC-MD-VA MSA	51	8840	611742	-19.32	18.70	34.41	315
CUMBERLAND, MD-WV MSA	24	1900	30214	12.35	19.11	9.13	316
LAKE COUNTY, IL PMSA	17	3965	211486	-14.63	19.49	31.27	317
DAVENPORT-ROCK ISLAND-MOLINE, I	17	1960	94408	9.27	19.57	12.11	318
CHATTANOOGA, TN-GA MSA	47	1560	134342	16.31	19.57	6.45	319
HAMILTON-MIDDLETOWN, OH PMSA	39	3200	104526	-15.36	19.66	32.00	320
HAGERSTOWN, MD MSA	24	3180	48830	2.61	19.73	17.64	321
HARTFORD, CT PMSA	9	3280	347486	13.09	19.79	9.28	322
CHATTANOOGA, TN-GA MSA	13	1560	42967	-43.42	19.92	54.69	323
VINELAND-MILLVILLE-BRIDGETON, N	34	8760	51244	7.89	19.95	13.63	324
AURORA-ELGIN, IL PMSA	17	620	146928	-9.12	20.12	27.40	325
FARGO-MOORHEAD, ND-MN MSA	38	2520	42296	13.81	20.70	9.75	326
SAN FRANCISCO, CA PMSA	6	7360	753195	13.95	21.33	10.35	327
PARKERSBURG-MARIETTA, WV-OH MSA	54	6020	35925	7.66	21.35	15.32	328
FARGO-MOORHEAD, ND-MN MSA	27	2520	22255	-23.35	21.64	39.93	329
MANCHESTER, NH MSA	33	4760	61700	3.40	21.64	18.98	330
WASHINGTON, DC-MD-VA MSA	24	8840	739491	-22.46	21.70	39.29	331
PARKERSBURG-MARIETTA, WV-OH MSA	39	6020	25179	-7.01	21.83	27.31	332
PORTSMOUTH-DOVER-ROCHESTER, NH-	33	6450	69127	4.99	22.51	18.65	333
ELKHART-GOSHEN, IN MSA	18	2330	60373	17.97	22.57	8.66	334
KANSAS CITY, MO-KS MSA	20	3760	238035	-7.15	22.79	28.31	335
WHEELING, WV-OH MSA	39	9000	30565	-16.47	22.89	35.60	336
STEUBENVILLE-WEIRTON, OH-WV MSA	39	8080	33257	-3.64	23.00	25.81	337
AUGUSTA, GA-SC MSA	45	600	44712	-5.02	23.17	27.03	338
BERGEN-PASSAIC, NJ PMSA	34	875	606797	-7.25	23.32	28.88	339
NEWARK, NJ PMSA	34	5640	827457	2.30	23.58	21.82	340
WHEELING, WV-OH MSA	54	9000	39047	13.35	23.89	13.72	341
NASHUA, NH PMSA	33	5350	68420	-6.55	24.05	29.03	342
CUMBERLAND, MD-WV MSA	54	1900	9158	-32.59	24.41	49.05	343
LOWELL, MA-NH PMSA	25	4560	108238	-24.24	24.67	42.93	344
WILMINGTON, DE-NJ-MD PMSA	24	9160	23840	-25.90	25.20	44.58	345
BEAVER COUNTY, PA PMSA	42	845	77919	-5.15	25.27	29.12	346
CINCINNATI, OH-KY-IN PMSA	18	1640	13452	-21.46	25.72	41.66	347
BRISTOL, CT PMSA	9	1170	35559	-29.02	26.12	47.56	348
LAWRENCE-HAVERHILL, MA-NH PMSA	25	4160	113147	-2.82	26.28	28.36	349
MIDDLESEX-SOMERSET-HUNTERDON, N	34	5015	422552	-4.69	26.29	29.74	350
TEXARKANA, TX-TEXARKANA, AR MSA	48	8360	29610	9.48	26.51	19.54	351
JOHNSON CITY-KINGSPORT-BRISTOL,	51	3660	33854	-10.22	26.89	34.36	352
ANN ARBOR, MI PMSA	26	440	125828	19.32	28.31	14.46	353
MIDDLETOWN, CT PMSA	9	5020	41082	-13.11	29.00	38.31	354
FALL RIVER, MA-RI PMSA	44	2480	7271	-64.28	29.77	74.91	355
PAWTUCKET-WOONSOCKET-ATTLEBORO,	44	6060	96400	-10.50	30.29	37.60	356
ALLENTOWN-BETHLEHEM, PA-NJ MSA	34	240	36310	-12.84	31.27	40.10	357
TRENTON, NJ PMSA	34	8480	139378	19.46	31.27	17.90	358
NEW LONDON-NORWICH, CT-RI MSA	44	5520	10385	-21.33	31.60	46.19	359
BROCKTON, MA PMSA	25	1200	78775	-20.05	32.09	45.71	360
STEUBENVILLE-WEIRTON, OH-WV MSA	54	8080	26633	17.67	32.55	20.63	361
WILMINGTON, DE-NJ-MD PMSA	34	9160	25020	4.37	33.79	30.90	362
NEW BRITAIN, CT PMSA	9	5440	71456	-11.55	34.12	41.73	363
CLARKSVILLE-HOPKINSVILLE, TN-KY	21	1660	30813	40.70	35.04	8.60	364
COLUMBUS, GA-AL MSA	1	1800	17528	-36.58	36.05	59.44	365
JERSEY CITY, NJ PMSA	34	3640	232473	-4.13	36.35	38.98	366
STAMFORD, CT PMSA	9	8040	97580	17.32	38.36	27.68	367
TEXARKANA, TX-TEXARKANA, AR MSA	5	8360	14214	-12.36	39.42	46.91	368
MEMPHIS, TN-AR-MS MSA	28	4920	21764	-39.72	40.34	64.03	369
NORWALK, CT PMSA	9	5760	65689	0.56	41.10	40.78	370
PAWTUCKET-WOONSOCKET-ATTLEBORO,	25	6060	42391	-9.73	42.51	48.11	371
LOWELL, MA-NH PMSA	33	4560	3732	-69.32	43.84	82.77	372
LAWRENCE-HAVERHILL, MA-NH PMSA	33	4160	40658	-33.43	44.02	62.74	373

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SIOUX CITY, IA-NE MSA	31	7720	7114	9.02	45.99	41.12	374
PORTSMOUTH-DOVER-ROCHESTER, NH-	23	6450	17834	-3.15	49.46	51.05	375
WASHINGTON, DC-MD-VA MSA	11	8840	295399	120.74	64.10	20.76	376

TABLE C.5

AREA NAME	STATE FIPS	MSA CODE	A RESIDE IN AREA	Excess Employment 100*(B-A)/A	Commuting In 100*(B-C)/B	Commuting Out 100*(A-C)/A	Rank by Commute Out
WICHITA, KS MSA	20	9040	198951	4.10	5.35	1.46	1
MINNEAPOLIS-ST. PAUL, MN-WI MSA	27	5120	1036412	2.02	3.44	1.48	2
PHOENIX, AZ MSA	4	6200	658854	0.33	1.86	1.54	3
MILWAUKEE, WI PMSA	55	5080	643007	2.75	4.41	1.78	4
HOUSTON, TX PMSA	48	3360	1342389	2.82	4.84	2.16	5
SAN ANTONIO, TX MSA	48	7240	449090	1.62	3.72	2.16	6
WICHITA FALLS, TX MSA	48	9080	59096	6.86	8.48	2.20	7
ATLANTA, GA MSA	13	520	995028	1.85	4.06	2.29	8
OKLAHOMA CITY, OK MSA	40	5880	395274	2.02	4.25	2.31	9
INDIANAPOLIS, IN MSA	18	3480	523549	2.53	4.78	2.37	10
RICHMOND-PETERSBURG, VA MSA	51	6760	359336	3.25	5.46	2.39	11
SALT LAKE CITY-OGDEN, UT MSA	49	7160	384078	1.46	3.81	2.41	12
COLUMBUS, OH MSA	39	1840	550284	2.05	4.38	2.42	13
ROCHESTER, NY MSA	36	6840	427779	1.50	3.96	2.52	14
ST. LOUIS, MO-IL PMSA	29	7040	783261	6.50	8.53	2.58	15
LAS VEGAS, NV MSA	32	4120	227200	0.23	2.81	2.59	16
PORTLAND, OR PMSA	41	6440	512678	5.24	7.47	2.62	17
DES MOINES, IA MSA	19	2120	176920	4.55	6.86	2.62	18
SEATTLE, WA PMSA	53	7600	772276	4.24	6.65	2.70	19
LAREDO, TX MSA	48	4080	32459	1.63	4.36	2.80	20
ERIE, PA MSA	42	2360	114032	3.14	5.80	2.84	21
SPOKANE, WA MSA	53	7840	139832	1.51	4.30	2.86	22
AUSTIN, TX MSA	48	640	260229	2.12	4.90	2.88	23
WATERLOO-CEDAR FALLS, IA MSA	19	8920	71063	8.20	10.35	3.00	24
PEORIA, IL MSA	17	6120	156516	5.17	7.78	3.01	25
SAN ANGELO, TX MSA	48	7200	40419	0.89	3.91	3.06	26
TAMPA-ST. PETERSBURG-CLEARWATER	12	8280	622490	-1.04	2.07	3.09	27
TUCSON, AZ MSA	4	8520	220820	-1.61	1.52	3.11	28
HONOLULU, HI MSA	15	3320	368253	-2.23	0.93	3.14	29
LITTLE ROCK-NORTH LITTLE ROCK,	5	4400	205906	2.41	5.43	3.16	30
DENVER, CO PMSA	8	2080	711495	1.97	5.04	3.16	31
PUEBLO, CO MSA	8	6560	46555	1.32	4.46	3.20	32
BIRMINGHAM, AL MSA	1	1000	353898	2.13	5.26	3.24	33
BAKERSFIELD, CA MSA	6	680	161906	3.75	6.84	3.35	34
MEMPHIS, TN-AR-MS MSA	47	4920	337891	6.87	9.59	3.38	35
CLEVELAND, OH PMSA	39	1680	819843	5.65	8.55	3.38	36
GREAT FALLS, MT MSA	30	3040	36531	-1.72	1.71	3.40	37
FORT SMITH, AR-OK MSA	5	2720	54306	15.71	16.51	3.40	38
OMAHA, NE-IA MSA	31	5920	233894	7.22	9.91	3.40	39
BILLINGS, MT MSA	30	880	48589	1.68	5.00	3.41	40
TOPEKA, KS MSA	20	8440	75153	10.60	12.68	3.42	41
EUGENE-SPRINGFIELD, OR MSA	41	2400	113935	-1.04	2.43	3.44	42
CHICAGO, IL PMSA	17	1600	2684432	4.22	7.36	3.45	43
CEDAR RAPIDS, IA MSA	19	1360	82032	7.76	10.42	3.46	44
ANCHORAGE, AK MSA	2	380	85685	1.44	4.87	3.50	45
SYRACUSE, NY MSA	36	8160	266005	1.91	5.33	3.52	46
NASHVILLE, TN MSA	47	5360	387477	1.02	4.49	3.52	47
LINCOLN, NE MSA	31	4360	99742	2.68	6.09	3.58	48
TULSA, OK MSA	40	8560	302023	1.69	5.19	3.58	49
CHARLESTON, SC MSA	45	1440	188456	-0.06	3.60	3.66	50
ALBUQUERQUE, NM MSA	35	200	184436	4.26	7.60	3.66	51
DALLAS, TX PMSA	48	1920	980864	7.09	10.05	3.67	52
SIOUX FALLS, SD MSA	46	7760	52657	4.80	8.09	3.68	53
LUBBOCK, TX MSA	48	4600	98932	0.54	4.22	3.70	54
DAYTON-SPRINGFIELD, OH MSA	39	2000	387991	3.49	6.96	3.71	55
ROCHESTER, MN MSA	27	6820	46247	12.28	14.25	3.72	56
EL PASO, TX MSA	48	2320	181508	-1.59	2.31	3.86	57
FORT WAYNE, IN MSA	18	2760	153198	6.64	9.88	3.90	58
MIAMI-HIALEAH, FL PMSA	12	5000	728431	5.43	8.85	3.90	59
DETROIT, MI PMSA	26	2160	1761750	-1.53	2.42	3.90	60
SHREVEPORT, LA MSA	22	7680	142810	3.33	7.02	3.92	61
DUBUQUE, IA MSA	19	2200	41493	16.41	17.48	3.93	62
MADISON, WI MSA	55	4720	165850	2.80	6.60	3.99	63
LAFAYETTE, IN MSA	18	3920	55263	9.63	12.42	3.99	64
EVANSVILLE, IN-KY MSA	18	2440	102724	6.21	9.61	4.00	65
MELBOURNE-TITUSVILLE-PALM BAY,	12	4900	115486	0.39	4.41	4.03	66
SANTA BARBARA-SANTA MARIA-LOMPO	6	7480	136794	2.20	6.12	4.05	67
RENO, NV MSA	32	6720	104341	3.03	6.88	4.06	68
SPRINGFIELD, IL MSA	17	7880	88839	6.99	10.34	4.07	69
GRAND RAPIDS, MI MSA	26	3000	266380	5.66	9.23	4.08	70
PITTSBURGH, PA PMSA	42	6280	885417	2.07	6.03	4.09	71
NEW ORLEANS, LA MSA	22	5560	510747	1.99	5.96	4.09	72
LOS ANGELES-LONG BEACH, CA PMSA	6	4480	3380069	5.72	9.30	4.11	73
SPRINGFIELD, MO MSA	29	7920	88570	6.39	9.87	4.11	74
FRESNO, CA MSA	6	2840	208402	2.41	6.40	4.15	75
COLORADO SPRINGS, CO MSA	8	1720	142361	1.41	5.49	4.16	76
JACKSON, MS MSA	28	3560	153883	2.90	6.86	4.16	77
LAWTON, OK MSA	40	4200	51836	0.18	4.34	4.17	78
CORPUS CHRISTI, TX MSA	48	1880	136909	1.59	5.69	4.19	79
GREENSBORO--WINSTON-SALEM--HIGH	37	3120	406629	1.99	6.12	4.24	80
MONTGOMERY, AL MSA	1	5240	111222	3.68	7.65	4.26	81
KILLEEN-TEMPLE, TX MSA	48	3810	103192	0.92	5.19	4.32	82
REDDING, CA MSA	6	6690	39804	0.76	5.07	4.35	83
ORLANDO, FL MSA	12	5960	324943	0.01	4.38	4.37	84
RALEIGH-DURHAM, NC MSA	37	6640	275652	7.05	10.72	4.43	85
JACKSONVILLE, FL MSA	12	3600	311294	1.41	3.07	4.44	86
JACKSONVILLE, NC MSA	37	3605	59450	5.17	9.15	4.45	87
WACO, TX MSA	48	8800	72045	2.33	6.62	4.45	88
GREENVILLE-SPARTANBURG, SC MSA	45	3160	255514	5.94	9.90	4.55	89
CHARLESTON, WV MSA	54	1480	108762	6.73	10.60	4.59	90
RICHLAND-KENNEWICK-PASCO, WA MS	53	6740	64605	5.45	9.55	4.62	91

CHARLOTTE-GASTONIA-ROCK HILL, N	37	1520	424239	5.32	9.51	4.69	92
ABILENE, TX MSA	48	40	52248	6.29	10.35	4.71	93
HUNTSVILLE, AL MSA	1	3440	85380	12.89	15.60	4.72	94
BEAUMONT-PORT ARTHUR, TX MSA	48	840	149587	1.52	6.17	4.74	95
BUFFALO, NY PMSA	36	1280	408061	1.84	6.48	4.76	96
LOUISVILLE, KY-IN MSA	21	4520	327529	8.63	12.33	4.76	97
ALBANY-SCHENECTADY-TROY, NY MSA	36	160	355491	1.66	6.38	4.82	98
LYNCHBURG, VA MSA	51	4640	62291	15.54	17.64	4.84	99
SACRAMENTO, CA MSA	6	6920	471851	-1.59	3.37	4.90	100
TALLAHASSEE, FL MSA	12	8240	85890	4.24	8.78	4.91	101
LEXINGTON-FAYETTE, KY MSA	21	4280	143976	6.17	10.47	4.94	102
ROANOKE, VA MSA	51	6800	98347	8.39	12.32	4.96	103
LA CROSSE, WI MSA	55	3870	41165	10.59	14.08	4.99	104
APPLETON-OSHKOSH-NEENAH, WI MSA	55	460	129799	2.93	7.70	4.99	105
CHARLOTTESVILLE, VA MSA	51	1540	54125	9.67	13.38	5.00	106
FLINT, MI MSA	26	2640	165106	8.21	12.22	5.02	107
BELLINGHAM, WA MSA	53	860	42908	-1.01	4.05	5.02	108
SANTA FE, NM MSA	35	7490	41255	9.17	13.04	5.07	109
BANGOR, ME MSA	23	730	35831	14.25	16.95	5.11	110
GREEN BAY, WI MSA	55	3080	76461	4.39	9.13	5.14	111
MEDFORD, OR MSA	41	4890	50668	-2.30	2.92	5.16	112
BISMARCK, ND MSA	38	1010	37381	-1.39	3.91	5.25	113
PANAMA CITY, FL MSA	12	6015	40405	0.81	6.03	5.27	114
TOLEDO, OH MSA	39	8400	246028	5.26	10.04	5.31	115
LANSING-EAST LANSING, MI MSA	26	4040	185292	3.83	8.87	5.38	116
BURLINGTON, VT MSA	50	1305	52771	9.28	13.42	5.39	117
DECATUR, IL MSA	17	2040	55071	10.45	14.36	5.41	118
MCALLEN-EDINBURG-MISSION, TX MS	48	4880	92429	-2.24	3.24	5.41	119
SAGINAW-BAY CITY-MIDLAND, MI MS	26	6960	156154	3.03	8.20	5.42	120
CHAMPAIGN-URBANA-RANTOUL, IL MS	17	1400	83127	2.81	8.03	5.45	121
FORT WALTON BEACH, FL MSA	12	2750	47717	3.59	8.73	5.46	122
FORT MYERS-CAPE CORAL, FL MSA	12	2700	77012	-0.38	5.20	5.56	123
BROWNSVILLE-HARLINGEN, TX MSA	48	1240	69424	-0.23	5.36	5.58	124
NAPLES, FL MSA	12	5345	33614	5.56	10.55	5.58	125
PENSACOLA, FL MSA	12	6080	118974	-1.25	4.40	5.60	126
SAN DIEGO, CA MSA	6	7320	853666	-4.05	1.66	5.65	127
EAU CLAIRE, WI MSA	55	2290	53810	-0.51	5.19	5.66	128
BOISE CITY, ID MSA	16	1080	79501	1.45	7.05	5.70	129
SALINAS-SEASIDE-MONTEREY, CA MS	6	7120	131240	-0.74	5.02	5.72	130
NEW YORK, NY PMSA	36	5600	3384885	12.04	15.87	5.74	131
ROCKFORD, IL MSA	17	6880	126557	2.99	8.50	5.76	132
COLUMBUS, GA-AL MSA	13	1800	86834	13.93	17.31	5.79	133
ENID, OK MSA	40	2340	28376	0.92	6.67	5.81	134
UTICA-ROME, NY MSA	36	8680	124178	-0.09	5.73	5.82	135
FAYETTEVILLE, NC MSA	37	2560	114266	4.62	10.01	5.85	136
KNOXVILLE, TN MSA	47	3840	237180	2.01	7.71	5.85	137
PHILADELPHIA, PA-NJ PMSA	42	6160	1519796	3.37	8.94	5.87	138
ALTOONA, PA MSA	42	280	51255	6.71	11.81	5.89	139
ALBANY, GA MSA	13	120	46412	9.55	14.10	5.90	140
SCRANTON--WILKES-BARRE, PA MSA	42	7560	283869	-0.00	5.96	5.96	141
GRAND FORKS, ND MSA	38	2985	30879	5.36	10.83	6.05	142
MACON-WARNER ROBINS, GA MSA	13	4680	108720	5.06	10.58	6.05	143
AMARILLO, TX MSA	48	320	82479	-3.71	2.49	6.10	144
DULUTH, MN-WI MSA	27	2240	86760	2.11	8.10	6.16	145
LAKELAND-WINTER HAVEN, FL MSA	12	3980	130133	1.68	7.84	6.30	146
MOBILE, AL MSA	1	5160	169111	-2.02	4.42	6.35	147
BOSTON, MA PMSA	25	1120	1325341	9.08	14.16	6.37	148
HICKORY, NC MSA	37	3290	100534	8.32	13.58	6.39	149
COLUMBIA, SC MSA	45	1760	194083	1.51	7.84	6.45	150
CHATTANOOGA, TN-GA MSA	47	1560	134342	16.31	19.57	6.45	151
BINGHAMTON, NY MSA	36	960	113400	3.22	9.44	6.52	152
KOKOMO, IN MSA	18	3850	41616	12.58	16.99	6.55	153
FAYETTEVILLE-SPRINGDALE, AR MSA	5	2580	43311	5.63	11.55	6.57	154
YAKIMA, WA MSA	53	9260	68965	-3.37	3.34	6.60	155
SAVANNAH, GA MSA	13	7520	89003	0.79	7.42	6.69	156
MONROE, LA MSA	22	5200	51827	2.93	9.39	6.74	157
JOPLIN, MO MSA	29	3710	51083	3.29	9.78	6.80	158
PINE BLUFF, AR MSA	5	6240	32675	8.03	13.76	6.84	159
WILLIAMSPORT, PA MSA	42	9140	47215	3.25	9.89	6.96	160
ASHEVILLE, NC MSA	37	480	70300	5.04	11.45	6.98	161
STATE COLLEGE, PA MSA	42	8050	45949	7.47	13.59	7.14	162
TERRE HAUTE, IN MSA	18	8320	57090	6.15	12.55	7.16	163
NORFOLK-VIRGINIA BEACH-NEWPORT	51	5720	531647	-3.21	4.14	7.21	164
SARASOTA, FL MSA	12	7510	73281	8.54	14.53	7.23	165
HARRISBURG-LEBANON-CARLISLE, PA	42	3240	253206	5.62	12.26	7.32	166
WEST PALM BEACH-BOCA RATON-DELR	12	8960	232258	3.28	10.35	7.41	167
STOCKTON, CA MSA	6	8120	132978	0.35	7.74	7.41	168
BRYAN-COLLEGE STATION, TX MSA	48	1260	40547	3.02	10.13	7.42	169
SHEBOYGAN, WI MSA	55	7620	46436	-1.17	6.34	7.43	170
CINCINNATI, OH-KY-IN PMSA	39	1640	464337	13.09	18.16	7.45	171
LIMA, OH MSA	39	4320	62435	10.33	16.14	7.48	172
CHICO, CA MSA	6	1620	52420	-1.69	5.89	7.48	173
PITTSFIELD, MA MSA	25	6320	36263	9.56	15.58	7.51	174
COLUMBIA, MO MSA	29	1740	49523	0.79	8.25	7.53	175
CASPER, WY MSA	56	1350	35938	-1.45	6.26	7.62	176
BLOOMINGTON-NORMAL, IL MSA	17	1040	55675	1.15	8.69	7.64	177
LAKE CHARLES, LA MSA	22	3960	68228	5.81	12.75	7.68	178
TYLER, TX MSA	48	8640	56308	5.48	12.53	7.73	179
ANNISTON, AL MSA	1	450	49465	4.71	11.95	7.81	180
GAINESVILLE, FL MSA	12	2900	70611	3.65	11.20	7.95	181
PORTLAND, ME MSA	23	6400	86417	6.02	13.20	7.98	182
TUSCALOOSA, AL MSA	1	8600	52808	0.88	8.83	8.03	183
DAYTONA BEACH, FL MSA	12	2020	93064	-2.51	5.68	8.04	184
ST. JOSEPH, MO MSA	29	7000	34836	9.30	15.94	8.13	185

SAN JOSE, CA PMSA	6	7400	651358	5.32	12.80	8.16	186
YOUNGSTOWN-WARREN, OH MSA	39	9320	202531	0.08	8.32	8.25	187
MIDLAND, TX MSA	48	5040	40910	4.90	12.55	8.27	188
JOHNSTOWN, PA MSA	42	3680	88951	-0.35	8.08	8.40	189
BATTLE CREEK, MI MSA	26	780	56154	8.38	15.52	8.44	190
ALEXANDRIA, LA MSA	22	220	49431	1.33	9.73	8.54	191
KALAMAZOO, MI MSA	26	3720	95710	7.88	15.25	8.57	192
CLARKSVILLE-HOPKINSVILLE, TN-KY	21	1660	30813	40.70	35.04	8.60	193
JOHNSON CITY-KINGSPORT-BRISTOL,	47	3660	137508	0.63	9.23	8.65	194
ELKHART-GOSHEN, IN MSA	18	2330	60373	17.97	22.57	8.66	195
SHERMAN-DENISON, TX MSA	48	7640	39187	2.39	10.99	8.86	196
LANCASTER, PA MSA	42	4000	168098	-2.52	6.53	8.89	197
BALTIMORE, MD MSA	24	720	979973	-4.50	4.64	8.93	198
BLOOMINGTON, IN MSA	18	1020	42358	7.53	15.33	8.95	199
VISALIA-TULARE-PORTERVILLE, CA	6	8780	92697	-4.58	4.65	9.02	200
LONGVIEW-MARSHALL, TX MSA	48	4420	65581	10.85	17.98	9.08	201
MANSFIELD, OH MSA	39	4800	52839	4.63	13.11	9.08	202
AUGUSTA, GA-SC MSA	13	600	106545	4.34	12.88	9.10	203
CUMBERLAND, MD-WV MSA	24	1900	30214	12.35	19.11	9.13	204
DOTHAN, AL MSA	1	2180	51927	11.53	18.54	9.15	205
HARTFORD, CT PMSA	9	3280	347486	13.09	19.79	9.28	206
ALLENTOWN-BETHLEHEM, PA-NJ MSA	42	240	244479	-1.64	7.79	9.30	207
WAUSAU, WI MSA	55	8940	48397	-1.94	7.51	9.31	208
MODESTO, CA MSA	6	5170	102493	-2.36	7.16	9.36	209
WILMINGTON, NC MSA	37	9200	44469	8.09	16.21	9.43	210
SPRINGFIELD, MA MSA	25	8000	228345	-1.91	7.84	9.60	211
BILOXI-GULFPORT, MS MSA	28	920	73293	5.63	14.53	9.72	212
FARGO-MOORHEAD, ND-MN MSA	38	2520	42296	13.81	20.70	9.75	213
PROVO-OREM, UT MSA	49	6520	75860	-6.73	3.35	9.85	214
SIOUX CITY, IA-NE MSA	19	7720	43597	5.25	14.42	9.92	215
BATON ROUGE, LA MSA	22	760	204909	-2.17	8.05	10.05	216
LAS CRUCES, NM MSA	35	4100	34552	2.85	12.58	10.09	217
ATLANTIC CITY, NJ MSA	34	560	109832	2.27	12.24	10.25	218
NEW LONDON-NORWICH, CT-RI MSA	9	5520	104869	4.23	13.96	10.32	219
SAN FRANCISCO, CA PMSA	6	7360	753195	13.95	21.33	10.35	220
YUBA CITY, CA MSA	6	9340	36946	-3.03	7.83	10.62	221
FLORENCE, AL MSA	1	2650	52570	-1.07	9.65	10.62	222
MUSKEGON, MI MSA	26	5320	59513	1.22	11.72	10.64	223
MUNCIE, IN MSA	18	5280	52395	2.61	12.93	10.66	224
FORT COLLINS-LOVELAND, CO MSA	8	2670	71478	-4.53	6.56	10.79	225
FLORENCE, SC MSA	45	2655	45015	8.06	17.46	10.80	226
ODESSA, TX MSA	48	5800	55811	-4.79	6.60	11.07	227
GARY-HAMMOND, IN PMSA	18	2960	253319	1.22	12.16	11.09	228
WILMINGTON, DE-NJ-MD PMSA	10	9160	178465	4.13	14.69	11.16	229
HUNTINGTON-ASHLAND, WV-KY-OH MS	54	3400	55143	8.30	18.01	11.21	230
SALEM, OR MSA	41	7080	99694	-3.55	8.07	11.34	231
BENTON HARBOR, MI MSA	26	870	67156	0.83	12.14	11.41	232
ATHENS, GA MSA	13	500	57396	1.37	12.61	11.41	233
IOWA CITY, IA MSA	19	3500	41934	-0.02	11.42	11.44	234
SOUTH BEND-MISHAWAKA, IN MSA	18	7800	104602	-0.60	11.18	11.70	235
LAFAYETTE, LA MSA	22	3880	83522	5.47	16.31	11.73	236
KANSAS CITY, MO-KS MSA	29	3760	425176	6.13	16.87	11.78	237
DAVENPORT-ROCK ISLAND-MOLINE, I	17	1960	94408	9.27	19.57	12.11	238
OCALA, FL MSA	12	5790	42411	-4.88	7.65	12.15	239
ELMIRA, NY MSA	36	2335	37854	3.72	15.42	12.28	240
CANTON, OH MSA	39	1320	165018	-1.85	10.65	12.30	241
KANKAKEE, IL MSA	17	3740	41045	-4.58	8.27	12.47	242
LAWRENCE, KS MSA	20	4150	32103	-2.50	10.25	12.49	243
GADSDEN, AL MSA	1	2880	37692	-1.03	11.65	12.55	244
HUNTINGTON-ASHLAND, WV-KY-OH MS	21	3400	39707	5.35	17.12	12.68	245
JACKSON, MI MSA	26	3520	57673	-3.12	9.88	12.69	246
FORT PIERCE, FL MSA	12	2710	57513	-2.63	10.44	12.79	247
PROVIDENCE, RI PMSA	44	6480	274341	3.67	15.89	12.80	248
ST. CLOUD, MN MSA	27	6980	68787	-5.36	8.00	12.93	249
READING, PA MSA	42	6680	141649	-1.71	11.55	13.06	250
WORCESTER, MA MSA	25	9240	182085	-0.96	12.62	13.46	251
VINELAND-MILLVILLE-BRIDGETON, N	34	8760	51244	7.89	19.95	13.63	252
WHEELING, WV-OH MSA	54	9000	39047	13.35	23.89	13.72	253
GLENS FALLS, NY MSA	36	2975	40833	5.02	18.03	13.92	254
JANESVILLE-BELOIT, WI MSA	55	3620	55002	-3.92	10.41	13.92	255
HOUMA-THIBODAUX, LA MSA	22	3350	68475	-5.19	9.26	13.97	256
OWENSBORO, KY MSA	21	5990	34631	-5.84	8.72	14.05	257
VICTORIA, TX MSA	48	8750	30672	-4.61	10.22	14.36	258
LEWISTON-AUBURN, ME MSA	23	4240	37153	-0.15	14.29	14.42	259
ANN ARBOR, MI PMSA	26	440	125828	19.32	28.31	14.46	260
YORK, PA MSA	42	9280	177428	-7.52	8.06	14.96	261
DANVILLE, VA MSA	51	1950	49658	-7.05	8.63	15.07	262
NEW BEDFORD, MA MSA	25	5400	69227	-4.85	10.95	15.27	263
PARKERSBURG-MARIETTA, WV-OH MSA	54	6020	35925	7.66	21.35	15.32	264
ANDERSON, IN MSA	18	400	54210	-2.23	13.74	15.66	265
SHARON, PA MSA	42	7610	49305	2.09	17.67	15.95	266
AKRON, OH PMSA	39	80	275367	-4.77	12.24	16.43	267
PONCE, PR MSA	72	6360	47851	-4.24	12.99	16.68	268
NEW HAVEN-MERIDEN, CT MSA	9	5480	228055	-2.26	15.03	16.94	269
POUGHKEEPSIE, NY MSA	36	6460	99801	-1.29	16.12	17.20	270
MAYAGUEZ, PR MSA	72	4840	50538	-5.60	12.35	17.26	271
BRADENTON, FL MSA	12	1140	52893	-8.34	9.78	17.31	272
SANTA ROSA-PETALUMA, CA PMSA	6	7500	128561	-13.08	5.16	17.57	273
HAGERSTOWN, MD MSA	24	3180	48830	2.61	19.73	17.64	274
RIVERSIDE-SAN BERNARDINO, CA PM	6	6780	611843	-12.45	6.22	17.89	275
TRENTON, NJ PMSA	34	8480	139378	19.46	31.27	17.90	276
RACINE, WI PMSA	55	6600	77301	-6.16	12.54	17.92	277
FORT LAUDERDALE-HOLLYWOOD-POMPA	12	2680	424649	-10.13	8.82	18.06	278
PASCAGOULA, MS MSA	28	6025	47320	-0.15	17.98	18.10	279

FORT WORTH-ARLINGTON, TX PMSA	48	2800	470044	-11.35	7.75	18.22	280
TACOMA, WA PMSA	53	8200	204609	-10.83	8.50	18.41	281
DULUTH, MN-WI MSA	55	2240	16431	-2.58	16.34	18.50	282
OLYMPIA, WA MSA	53	5910	52411	-7.94	11.59	18.61	283
PORTSMOUTH-DOVER-ROCHESTER, NH-	33	6450	69127	4.99	22.51	18.65	284
MANCHESTER, NH MSA	33	4760	61700	3.40	21.64	18.98	285
BREMERTON, WA MSA	53	1150	62060	-9.66	10.40	19.06	286
OAKLAND, CA PMSA	6	5775	806620	-10.37	9.72	19.08	287
NIAGARA FALLS, NY PMSA	36	5700	91781	-3.81	16.26	19.45	288
BURLINGTON, NC MSA	37	1300	48125	-5.20	15.05	19.46	289
TEXARKANA, TX-TEXARKANA, AR MSA	48	8360	29610	9.48	26.51	19.54	290
SAN JUAN, PR PMSA	72	7440	351002	-9.19	11.80	19.91	291
AGUADILLA, PR MSA	72	60	28517	-11.36	10.05	20.27	292
LORAIN-ELYRIA, OH PMSA	39	4440	108607	-9.96	11.46	20.28	293
ARECIBO, PR MSA	72	470	30875	-10.67	10.90	20.40	294
ANAHEIM-SANTA ANA, CA PMSA	6	360	962288	-6.81	14.74	20.54	295
STEUBENVILLE-WEIRTON, OH-WV MSA	54	8080	26633	17.67	32.55	20.63	296
WASHINGTON, DC-MD-VA MSA	11	8840	295399	120.74	64.10	20.76	297
ANDERSON, SC MSA	45	405	59203	-8.81	13.14	20.79	298
DAVENPORT-ROCK ISLAND-MOLINE, I	19	1960	72181	-3.28	18.64	21.31	299
VALLEJO-FAIRFIELD-NAPA, CA PMSA	6	8720	143231	-12.66	10.08	21.46	300
BOULDER-LONGMONT, CO PMSA	8	1125	95409	-4.79	17.58	21.53	301
GREELEY, CO MSA	8	3060	52720	-10.97	12.07	21.72	302
BRIDGEPORT-MILFORD, CT PMSA	9	1160	200677	-7.96	15.06	21.82	303
NEWARK, NJ PMSA	34	5640	827457	2.30	23.58	21.82	304
FITCHBURG-LEOMINSTER, MA MSA	25	2600	42749	-6.44	16.72	22.08	305
SANTA CRUZ, CA PMSA	6	7485	81628	-14.85	8.86	22.39	306
BRAZORIA, TX PMSA	48	1145	76617	-6.32	17.61	22.82	307
EVANSVILLE, IN-KY MSA	21	2440	17419	-7.82	16.61	23.14	308
WATERBURY, CT MSA	9	8880	89657	-10.58	14.36	23.42	309
GALVESTON-TEXAS CITY, TX PMSA	48	2920	89205	-13.02	12.01	23.46	310
ORANGE COUNTY, NY PMSA	36	5950	105688	-10.45	14.74	23.65	311
FALL RIVER, MA-RI PMSA	25	2480	59634	-9.51	17.72	25.54	312
STEUBENVILLE-WEIRTON, OH-WV MSA	39	8080	33257	-3.64	23.00	25.81	313
KENOSHA, WI PMSA	55	3800	52963	-11.40	16.43	25.96	314
CHARLOTTE-GASTONIA-ROCK HILL, N	45	1520	47949	-12.53	15.51	26.09	315
NASSAU-SUFFOLK, NY PMSA	36	5380	1139188	-19.47	8.26	26.12	316
OXNARD-VENTURA, CA PMSA	6	6000	234855	-22.16	5.14	26.16	317
AUGUSTA, GA-SC MSA	45	600	44712	-5.02	23.17	27.03	318
PARKERSBURG-MARIETTA, WV-OH MSA	39	6020	25179	-7.01	21.83	27.31	319
ALTON-GRANITE CITY, IL PMSA	17	275	106669	-11.37	18.08	27.39	320
AURORA-ELGIN, IL PMSA	17	620	146928	-9.12	20.12	27.40	321
STAMFORD, CT PMSA	9	8040	97580	17.32	38.36	27.68	322
MONMOUTH-OCEAN, NJ PMSA	34	5190	332542	-22.49	6.72	27.71	323
PHILADELPHIA, PA-NJ PMSA	34	6160	440558	-19.33	10.50	27.80	324
KANSAS CITY, MO-KS MSA	20	3760	238035	-7.15	22.79	28.31	325
LAWRENCE-HAVERHILL, MA-NH PMSA	25	4160	113147	-2.82	26.28	28.36	326
BERGEN-PASSAIC, NJ PMSA	34	875	606797	-7.25	23.32	28.88	327
NASHUA, NH PMSA	33	5350	68420	-6.55	24.05	29.03	328
BEAVER COUNTY, PA PMSA	42	845	77919	-5.15	25.27	29.12	329
MIDDLESEX-SOMERSET-HUNTERDON, N	34	5015	422552	-4.69	26.29	29.74	330
EAST ST. LOUIS-BELLEVILLE, IL P	17	2285	113957	-15.69	17.83	30.73	331
WILMINGTON, DE-NJ-MD PMSA	34	9160	25020	4.37	33.79	30.90	332
DANBURY, CT PMSA	9	1930	80906	-15.16	18.63	30.96	333
LAKE COUNTY, IL PMSA	17	3965	211486	-14.63	19.49	31.27	334
HAMILTON-MIDDLETOWN, OH PMSA	39	3200	104526	-15.36	19.66	32.00	335
CAGUAS, PR PMSA	72	1310	55458	-20.78	14.91	32.59	336
SALEM-GLOUCESTER, MA PMSA	25	7090	124087	-18.65	18.42	33.64	337
VANCOUVER, WA PMSA	53	8725	78890	-29.30	6.97	34.23	338
JOHNSON CITY-KINGSPORT-BRISTOL,	51	3660	33854	-10.22	26.89	34.36	339
WASHINGTON, DC-MD-VA MSA	51	8840	611742	-19.32	18.70	34.41	340
MEMPHIS, TN-AR-MS MSA	5	4920	16102	-23.35	14.74	34.65	341
WHEELING, WV-OH MSA	39	9000	30565	-16.47	22.89	35.60	342
PAWTUCKET-WOONSOCKET-ATTLEBORO,	44	6060	96400	-10.50	30.29	37.60	343
LOUISVILLE, KY-IN MSA	18	4520	74594	-24.20	18.56	38.27	344
MIDDLETOWN, CT PMSA	9	5020	41082	-13.11	29.00	38.31	345
JERSEY CITY, NJ PMSA	34	3640	232473	-4.13	36.35	38.98	346
WASHINGTON, DC-MD-VA MSA	24	8840	739491	-22.46	21.70	39.29	347
FORT SMITH, AR-OK MSA	40	2720	10548	-31.76	11.43	39.56	348
FARGO-MOORHEAD, ND-MN MSA	27	2520	22255	-23.35	21.64	39.93	349
JOLIET, IL PMSA	17	3690	147860	-28.80	15.77	40.02	350
ALLENTOWN-BETHLEHEM, PA-NJ MSA	34	240	36310	-12.84	31.27	40.10	351
MINNEAPOLIS-ST. PAUL, MN-WI MSA	55	5120	19314	-27.15	18.05	40.30	352
CLARKSVILLE-HOPKINSVILLE, TN-KY	47	1660	38077	-33.58	10.36	40.47	353
OMAHA, NE-IA MSA	19	5920	37981	-26.86	18.62	40.47	354
NORWALK, CT PMSA	9	5760	65689	0.56	41.10	40.78	355
SIOUX CITY, IA-NE MSA	31	7720	7114	9.02	45.99	41.12	356
CINCINNATI, OH-KY-IN PMSA	21	1640	110109	-30.01	16.43	41.51	357
CINCINNATI, OH-KY-IN PMSA	18	1640	13452	-21.46	25.72	41.66	358
NEW BRITAIN, CT PMSA	9	5440	71456	-11.55	34.12	41.73	359
LOWELL, MA-NH PMSA	25	4560	108238	-24.24	24.67	42.93	360
WILMINGTON, DE-NJ-MD PMSA	24	9160	23840	-25.90	25.20	44.58	361
BROCKTON, MA PMSA	25	1200	78775	-20.05	32.09	45.71	362
NEW LONDON-NORWICH, CT-RI MSA	44	5520	10385	-21.33	31.60	46.19	363
TEXARKANA, TX-TEXARKANA, AR MSA	5	8360	14214	-12.36	39.42	46.91	364
BRISTOL, CT PMSA	9	1170	35559	-29.02	26.12	47.56	365
PAWTUCKET-WOONSOCKET-ATTLEBORO,	25	6060	42391	-9.73	42.51	48.11	366
CUMBERLAND, MD-WV MSA	54	1900	9158	-32.59	24.41	49.05	367
HUNTINGTON-ASHLAND, WV-KY-OH MS	39	3400	20545	-38.75	18.49	50.08	368
PORTSMOUTH-DOVER-ROCHESTER, NH-	23	6450	17834	-3.15	49.46	51.05	369
CHATTANOOGA, TN-GA MSA	13	1560	42967	-43.42	19.92	54.69	370
ST. LOUIS, MO-IL PMSA	17	7040	8573	-49.77	13.86	56.74	371
COLUMBUS, GA-AL MSA	1	1800	17528	-36.58	36.05	59.44	372
LAWRENCE-HAVERHILL, MA-NH PMSA	33	4160	40658	-33.43	44.02	62.74	373

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MEMPHIS, TN-AR-MS MSA	28	4920	21764	-39.72	40.34	64.03	374
FALL RIVER, MA-RI PMSA	44	2480	7271	-64.28	29.77	74.91	375
LOWELL, MA-NH PMSA	33	4560	3732	-69.32	43.84	82.77	376

APPENDIX D

SURVEY OF STATES

As noted in Chapter V, we conducted interviews with UI officials in all 53 jurisdictions participating in the UI program (the 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands), hereafter referred to as the "states." The purpose of the survey was to collect information on several aspects of the production of UI and labor market statistics for substate areas--both the current production and potential production of such statistics. The interviews were conducted over the telephone in all states, except West Virginia. The survey respondents in West Virginia provided written responses to the questions.

The survey instrument is divided into four sections, corresponding to the four areas for which we needed to collect information. Section 1 (beginning on page D-7 of this appendix) focuses on several general issues (e.g., whether the state has operated or considering operating a substate EB program, whether a substate program is needed within the state). Section 2 addresses the data needed for implementing a substate EB program and is divided into two subsections: Part A, which includes questions on the data available from LAUS (beginning on page D-13), and Part B, which includes questions on UI administrative data (beginning on page D-58). Section 3 (beginning on page D-79) captures information on the data needed to evaluate a substate program. Agency staffing and cost information are the subject of the final section, Section 4 (beginning on page D-88).

Although the majority of the questions in the survey were closed-ended questions, we did ask the survey respondents for their professional opinions as to the feasibility of a substate EB program, as well as their opinions as to the viability of several alternative program triggers. Their responses to those open-ended questions are summarized in Table D.1. In addition, we briefly list several other issues that were raised by the respondents:

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TABLE D.1

SUMMARY OF ISSUES RAISED BY RESPONDENTS
IN SURVEY OF STATE UI OFFICIALS

Issue	Number of States in Which Issue Was Raised
Program Design Issues	
Definition of Substate Areas:	
Commuting patterns make defining substate areas difficult	21
Sensitivity of definition to political pressures	6
Regardless of eligibility criterion, concerns arise as to real and perceived equity of program	24
Definition of Trigger:	17
Availability of the data	
Specific issues:	
Claims by place of residence	5
Claims by place of work	2
Lack of automation	2
Reliability of the data	37
Specific issues:	
Adjustments underlying TURs	21
Place of residence information	3
Place of work/residence discrepancy in IUR	6
Volatility of measures	13
Place of work for multi-county firms	5
IUR/TUR divergence	4
Seasonal unemployment effects	11
Sensitivity of the trigger to political pressures	5
Eligibility Criterion:	
Verification of place of residence/place of work	16
Employer burden of reporting or verifying place of work	2
Maintaining program integrity with increased opportunities for fraud and error	21
Program Administration Issues	
Administrative Burden of Operating a Substate Program	29
Source of burden:	
Keeping track of areas that have triggered on and off	8
Calculating trigger for large numbers of areas	11
Identifying potential claimants by area	5
Maintaining accurate records for a mobile population	7
Implementation and Administrative Cost Issues	
Cost of Implementing and Operating a Substate Program	37
Source of cost:	
Record-keeping by areas	9
Changes in payment and/or accounting system	1
Increased/modified data processing	15
Increased/modified data collection	6
Additional staff and staff training	19
Adequacy of Time Period for Implementation	3

- Appropriate Program Objective. Respondents in several states questioned whether a substate EB program was the appropriate means for providing benefits to seriously depressed areas. In particular, respondents were concerned about whether such a program would be consistent with the original intent and purpose of the UI program, and also whether it would be the most effective way to help the long-term unemployed. For areas in which there was long-term and severe unemployment, it was suggested that programs other than UI and extended benefits be used to address the specific needs of those local labor market areas.

- Sensitivity of the Program to Political Pressures. The respondents in eight states believed that there could be significant political pressure to trigger areas onto extended benefits when those areas did not satisfy the criteria, including pressure to redefine area boundaries or to manipulate the data underlying the trigger mechanism. One respondent reported that his state, which uses substate triggers for other programs, had found that substate area boundaries were very politically sensitive, and legislative changes in area definitions had been enacted to trigger on program benefits in specific areas. A similar outcome was reported for a second state. The respondent for that state said that, under a program providing benefits to substate areas, legislative changes had been made in program rules to ensure that individuals in certain areas received program benefits.

- Program Financing. Respondents from seven states were concerned as to how the program would be charged against employers within their state. They questioned the fairness of asking employers to finance long-term unemployment, as well as the relative impact of the program on different types of employers. In particular, concern was expressed as to whether the more stable employers would be, in effect, subsidizing employers with less stable employment (e.g., seasonal industries).

- Program Funding. Respondents from two states noted that their states had exhausted their trust fund in the last recession and had large outstanding debts.[45] A new extended benefit program is viewed as an additional drain on the UI trust fund that would be difficult to support. Respondents in three additional states also expressed concern about whether their trust funds could sustain a substate EB program.

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[45] Outstanding state loans reached a peak in 1984, with 26 states owing $14 billion. At the end of 1987, the outstanding loan balance was $2.1 billion owed by 3 states (U.S. House of Representatives, Committee on Ways and Means, 1988).

The responses to the closed-ended questions are summarized following the presentation of each survey question in the remainder of this appendix. In interpreting the responses to those questions, it should be noted that there are several special missing value codes:

Code	Response
-1	Don't know
-2	Question skipped
-3	Question refused
-4	Question not applicable
-5	Response missing

CODEBOOK

OMB No. 1205-0264
Expiration Date: 9/30/88

STATE ID: |_|_|

FEASIBILITY STUDY ON IMPLEMENTING A SUBSTATE AREA UI BENEFIT PROGRAM

STATE SURVEY

INTRODUCTION

The existence of diverse labor market conditions within states has resulted in continued Congressional interest in a substate extended benefit program--despite significant limitations in the availability and quality of labor market indicators at the local level. This study focuses on the feasibility of implementing a federal substate extended benefit program. By talking to all state agencies, we can determine the types of local labor market data currently collected and maintained by the states and the level of the effort that would be required to expand the states' current data collection efforts to support a substate extended benefits program, if one were to be implemented.

(IF THIS IS NOT FIRST THE RESPONDENT, EXPLAIN THAT SOME SECTIONS OF INTERVIEW HAVE BEEN COMPLETED BY PRIOR RESPONDENTS.)

Special Codes:

-1	Don't know
-2	Question skipped
-3	Question refused
-4	Question not applicable
-5	Response missing

SECTION 1: GENERAL ISSUES

(QUESTIONS FOR UI RESEARCH DIRECTOR OR POLICY PERSON)

1.00 In addition to the interest of Congress in a substate area extended benefits program, a few states have considered implementing their own substate programs.

Does (STATE) currently have or has (STATE) previously operated a local area extended benefits program of its own?

PREVIOUS PROGRAM........................(GO TO 1.02)...1
CURRENT PROGRAM.........................(GO TO 1.03)...2
NO PROGRAM..3

Q100	Frequency	Percent
2	1	1.9
3	52	98.1

1.01 Has (STATE) ever considered implementing its own substate extended benefit program?

YES.....................................(GO TO 1.04)...1
NO......................................(GO TO 1.06)...2

Q101	Frequency	Percent
-2	1	1.9
1	3	5.7
2	49	92.5

1.02 When did (STATE)'s substate extended benefit program end (MONTH/YEAR)?

|_|_| / |_|_| ENDED

D102	Frequency	Percent
-2	53	100.0

1.03 When did (STATE)'s substate extended benefit program begin (MONTH/YEAR)?

|_|_| / |_|_| BEGAN

D103	Frequency	Percent
-2	52	98.1
87	1	1.9

1.04 Would you describe the substate extended benefit program that (STATE) (implemented/considered implementing)?

(PROBES--) Definition of: Triggers? Substate areas?
Any particular administrative difficulties?

NOTES:

1.05 INTERVIEWER CHECK ITEM

WHAT IS THE ANSWER TO 1.00?

PREVIOUS PROGRAM........................(CONTINUE).....1
CURRENT PROGRAM.........................(GO TO 1.07)...2
NO PROGRAM..............................(CONTINUE).....3

Q105	Frequency	Percent
-2	1	1.9
2	1	1.9
3	51	96.2

1.06 In your opinion, are the conditions in the local labor markets within (STATE) variable enough to warrant consideration of a substate extended benefit program?

YES..1
NO...................................(GO TO 1.08)...2

Q106	Frequency	Percent
-2	1	1.9
1	31	58.5
2	21	39.6

1.07 Within those labor market areas in (STATE) that (are/are most likely to be) affected by a substate extended benefit program, what types of workers do you think (benefit/would benefit) from the program?

(PROBES--)Workers in particular industries? The long-term unemployed? Older or younger workers?

NOTES:

1.08 I'd now like to ask a few questions about the operation of the UI program in (STATE).

After the initial claim, are continued claims generally filed in person in the local office or can claimants file continued claims by mail?

IN PERSON..............................(GO TO 1.10)...1
MAIL 2
ALTERNATE..3

Q108	Frequency	Percent
1	4	7.5
2	46	86.8
3	3	5.7

1.09 Are the continued claims mailed to the local office or the state office?

LOCAL..1
STATE..2

Q109	Frequency	Percent
-2	4	7.5
1	20	37.7
2	28	52.8
3	1	1.9

1.10 All states have automated some components of their UI program, for example, claims counts or claims payments.

Is the computer that is used for the majority of (STATE)'s UI program data processing in a state centralized environment, i.e., outside the direct control of the (Employment Security/Labor Department)?

YES..(STATE-CENTRALIZED)................................1
NO...(DIRECT CONTROL)...................................2

Q110	Frequency	Percent
1	20	37.7
2	33	62.3

1.11 When did (STATE)'s UI program first become automated (MONTH/YEAR)? That is, what was the earliest date at which any component of the UI program was automated?

|_|_| / |_|_| BEGAN

D111	Frequency	Percent
-1	1	1.9
44	1	1.9
45	1	1.9
50	1	1.9
55	1	1.9
58	1	1.9
60	3	5.7
62	2	3.8
63	2	3.8
64	2	3.8
65	1	1.9
66	1	1.9
67	4	7.5
68	2	3.8
70	1	1.9
71	1	1.9
72	3	5.7
73	3	5.7
75	3	5.7
76	2	3.8
77	1	1.9
78	4	7.5
79	1	1.9
81	1	1.9
82	4	7.5
84	1	1.9
85	2	3.8
86	2	3.8
88	1	1.9

1.12 INTERVIEWER CHECK ITEM

IS THIS RESPONDENT DESIGNATED FOR ANY OTHER SECTIONS/QUESTIONS?

YES............................(GO TO THAT SECTION)...1
NO.............................(CONTINUE).............2

Q112	Frequency	Percent
1	30	56.6
2	23	43.4

1.13 As my final question, I would like to ask for your professional opinion about the feasibility of a substate area extended benefit program.

What do you think would be the major issues/problems that would arise in implementing and operating such a program within your state?

NOTES:

Thank you very much for your time and help.

SECTION 2: DATA NEEDS FOR IMPLEMENTING A SUBSTATE AREA PROGRAM

(QUESTIONS FOR LAUS AND/OR UI DATA PROCESSING PERSON)

A key issue in the feasibility of implementing a substate area program concerns the availability of the data needed to construct a substate trigger. In this study, we are focusing on program triggers that could be generated from data drawn from (1) the Local Area Unemployment Statistics (LAUS) system and (2) administrative records from the UI system, i.e, claims counts and ES-202 data.

A: DATA AVAILABLE FROM LAUS

Under the LAUS system, each state is required to use the Handbook method to build up monthly estimates of total unemployment and total employment by place of residence at the state and labor market area (LMA) level (WHEN CPS DATA ARE NOT USED DIRECTLY TO OBTAIN SUCH ESTIMATES). The LAUS estimates of total employment for the LMAs are based on the job counts developed under the CES or BLS 790 program for the largest LMAs. For the remaining LMAs, covered employment estimates can be obtained by one of two estimating systems: (1) a sample-based estimation similar to the CES sample or (2) a synthetic estimation (or extrapolation) system.

2.00 Which of these methods does (STATE) use in generating covered employment estimates for the smaller LMAs?

SAMPLE-BASED...1
SYNTHETIC...............................(GO TO 2.03)...2
BOTH...3

Q200	Frequency	Percent
-4	2	3.8
1	11	20.8
2	20	37.7
3	20	37.7

2.01 For how many of the smaller LMAs are (NON-CES) sample-based methods used?

|_|_|_| LMAs

Q201	Frequency	Percent
-4	3	5.7
-2	20	37.7
-1	3	5.7
0	2	3.8
1	2	3.8
4	1	1.9
5	1	1.9
6	2	3.8
7	1	1.9
10	1	1.9
12	1	1.9
14	1	1.9
15	1	1.9
25	2	3.8
31	1	1.9
38	1	1.9
48	1	1.9
50	1	1.9
54	1	1.9
57	1	1.9
64	2	3.8
65	1	1.9
72	1	1.9
77	1	1.9
98	1	1.9

2.02 INTERVIEWER CHECK ITEM

WHAT IS THE ANSWER TO 2.00?

SAMPLE-BASED............................(GO TO 2.04)...1
SYNTHETIC...............................(CONTINUE).....2
BOTH....................................(CONTINUE).....3

Q202	Frequency	Percent
-4	2	3.8
1	11	20.8
2	20	37.8
3	20	37.7

2.03 Which of the following synthetic methods is used (TO PROJECT COVERED EMPLOYMENT FOR LMAs) when either there is not a sample of establishments or the sample is too small for estimation purposes? (CIRCLE ALL THAT APPLY)

A. Link-relatives from ES-202 data........................1

B. Patterns based on seasonal movements...................1

C. Constants..1

D. Add/subtract a constant amount based on average monthly change in ES-202 data..................1

E. Link-relatives from other data series..................1

(A response of "1" indicates that the method is used; "2" indicates that the method is not used.)

Q203A	Frequency	Percent
-4	2	3.8
-2	11	20.8
1	32	60.4
2	8	15.1

Q203B	Frequency	Percent
-4	1	1.9
-2	11	20.8
1	16	30.2
2	25	47.2

Q203C	Frequency	Percent
-4	1	1.9
-2	11	20.8
1	10	18.9
2	31	58.5

Q203D	Frequency	Percent
-4	1	1.9
-2	11	20.8
1	6	11.3
2	35	66.1

Q203E	Frequency	Percent
-4	1	1.9
-2	11	20.8
1	7	13.2
2	34	64.2

2.04 The LAUS calculations of total employment for LMAs involve calculations of covered employment and noncovered employment.

Are the calculations of covered employment automated or are they derived manually? What about the calculations of noncovered employment?

MANUALAUTOMATED

COVERED EMPLOYMENT...............1.....2
UNCOVERED EMPLOYMENT.............1.....2

(IF 'MANUAL' FOR BOTH, GO TO 2.09)

Q204A	Frequency	Percent
1	10	18.9
2	43	81.1

Q204B	Frequency	Percent
1	13	24.5
2	40	75.5

2.05 When were the LAUS calculations of total employment automated (MONTH/YEAR)?

A. COVERED EMPLOYMENT......................|_|_| / |_|_|

B. UNCOVERED EMPLOYMENT....................|_|_| / |_|_|

D205A	Frequency	Percent
-5	1	1.9
-4	3	5.7
-2	7	13.2
64	1	1.9
74	1	1.9
75	7	13.2
76	1	1.9
77	1	1.9
78	1	1.9
79	8	15.1
80	5	9.4
81	1	1.9
82	2	3.8
83	4	7.5
85	4	7.5
86	6	11.3

D205B	Frequency	Percent
-5	1	1.9
-4	5	9.4
-2	8	15.1
74	1	1.9
75	3	5.7
76	1	1.9
77	1	1.9
78	1	1.9
79	8	15.1
80	5	9.4
81	2	3.8
82	1	1.9
83	4	7.5
84	1	1.9
85	3	5.7
86	7	13.2
87	1	1.9

2.06 I would now like to focus on the total employment estimates themselves.

Are the estimates of total employment for LMAs maintained in a machine-readable format?

YES..1
NO...................................(GO TO 2.08)...2

Q206	Frequency	Percent
-5	1	1.9
-2	5	9.4
1	39	73.6
2	8	15.1

2.07 How far back do the machine-readable files go? (MONTH/YEAR)

|_|_| / |_|_| BEGAN

D207	Frequency	Percent
-5	1	1.9
-2	13	24.5
70	3	5.7
75	1	1.9
76	3	5.7
77	1	1.9
79	3	5.7
80	8	15.1
83	5	9.4
84	1	1.9
85	5	9.4
86	7	13.2
87	1	1.9
88	1	1.9

2.08 (Prior to that date)/Are there hard-copy historical records of the total employment estimates for LMAs available?

YES..1
NO...................................(GO TO 2.10)...2

Q208	Frequency	Percent
-2	6	11.3
1	41	77.4
2	6	11.3

2.09 How far back do the hard-copy records of total employment estimates for LMAs go (MONTH/YEAR)?

|_|_| / |_|_| BEGAN

D209	Frequency	Percent
-2	6	11.3
-1	2	3.8
40	1	1.9
57	1	1.9
60	1	1.9
68	1	1.9
70	10	18.9
71	1	1.9
73	1	1.9
74	9	17.0
75	4	7.5
76	2	3.8
78	2	3.8
79	2	3.8
80	5	9.4
81	1	1.9
82	1	1.9
83	1	1.9
84	2	3.8

2.10 Now let's talk about the estimates of unemployment that are obtained under the LAUS program.

We are particularly interested in several measures that are calculated in the process of obtaining the final LAUS total unemployment number (Handbook line item 43) for LMAs. We are interested in these measures as they are potentially useful in developing substate triggers for an extended benefit program.

The Handbook line items that we would like to focus on are:

No.	Handbook Line Item
11	State UI Continued Claimants
12	State UI Continued Claimants less Earnings
13	State UI Initial Claims
37	Unemployed, Excluding Entrants

In addition, we are interested in the counts of final payments that are used in constructing Handbook line item number 19, Unemployed Exhaustees.

Are these terms consistent with what you call these Handbook line items within your state?

YES..1
NO...2

(CLARIFY THE TERMS USED IN THIS STATE FOR THE MEASURES. USE THE INTERVIEWER HELP SHEET TO RECORD ANY SPECIAL TERMINOLOGY AND USE THOSE TERMS IN THE REMAINING QUESTIONS.)

Q210	Frequency	Percent
1	52	98.1
2	1	1.9

2.11 The LAUS measure of state UI continued claimants can include the counts of compensated claimants and counts of claimants certifying to a week of unemployment that does not result in a pay order.

Does the measure of continued claimants used by (STATE) include counts of claimants certifying to a:

		YES	NO
A.	Noncompensated waiting week?..............	1	2
B.	Noncompensated penalty week?..............	1	2
C.	Noncompensated week pending a redetermination or an appeal?...........	1	2
D.	Noncompensated week for other types of certification?.............	1	2

Q211A	Frequency	Percent
-4	1	1.9
-2	2	3.8
-1	1	1.9
1	40	75.5
2	9	17.0

Q211B	Frequency	Percent
-4	3	5.7
-2	1	1.9
-1	1	1.9
1	22	41.5
2	26	49.1

Q211C	Frequency	Percent
-4	1	1.9
-1	1	1.9
1	35	66.0
2	16	30.2

Q211D	Frequency	Percent
-4	4	7.5
-2	2	3.8
-1	1	1.9
1	19	35.8
2	27	50.9

2.12 Are the Handbook line items that are components of the LAUS estimates of total covered unemployment for LMAs generated through manual counts in the local offices or are they automated?

That is, are the counts of (FILL IN FROM BELOW) obtained through manual counts or through an automated system?

		MANUAL	AUTOMATED
A.	State UI continued claims.................	1	2
B.	State UI cont'd claims less earnings......	1	2
C.	State UI initial claims...................	1	2

(IF 'MANUAL' FOR BOTH, GO TO 2.14)

Q212A	Frequency	Percent
1	5	9.4
2	48	90.6

Q212B	Frequency	Percent
1	5	9.4
2	48	90.6

Q212C	Frequency	Percent
1	8	15.1
2	45	84.9

2.13 When was the generation of the Handbook line items automated (MONTH/YEAR)?

A. STATE UI CONTINUED CLAIMS...............|_|_| / |_|_|

B. STATE UI CONT'D CLAIMS LESS EARNINGS....|_|_| / |_|_|

C. STATE UI INITIAL CLAIMS.................|_|_| / |_|_|

D213A	Frequency	Percent
-2	5	9.4
67	1	1.9
70	2	3.8
73	2	3.8
74	1	1.9
75	4	7.5
76	3	5.7
77	1	1.9
78	11	20.8
79	4	7.5
80	7	13.2
82	1	1.9
83	2	3.8
85	6	11.3

D213B	Frequency	Percent
-2	5	9.4
67	1	1.9
70	2	3.8
73	2	3.8
74	1	1.9
75	4	7.5
76	3	5.7
77	1	1.9
78	11	20.8
79	4	7.5
80	7	13.2
82	1	1.9
83	1	1.9
85	7	13.2
86	1	1.9
87	1	1.9
88	1	1.9

D213C	Frequency	Percent
-4	3	5.7
-2	5	9.4
70	3	5.7
73	1	1.9
74	1	1.9
75	3	5.7
76	3	5.7
77	1	1.9
78	7	13.2
79	3	5.7
80	6	11.3
82	1	1.9
83	3	5.7
85	7	13.2
86	2	3.8
87	3	5.7
88	1	1.9

2.14 Counts of final payments are used in deriving the Handbook estimate of unemployed exhaustees.

Are these counts of final payments automated? What about the calculations needed to derive the measure of unemployed exhaustees from the final payment counts, are they automated?

	MANUAL	AUTOMATED
A. FINAL PAYMENTS	1	2
B. UNEMPLOYED EXHAUSTEES	1	2

(IF 'MANUAL' FOR BOTH, GO TO 2.16)

Q214A	Frequency	Percent
1	4	7.5
2	49	92.5

Q214B	Frequency	Percent
1	16	30.2
2	37	69.8

2.15 When were the counts of final payments automated? When were the calculations of unemployed exhaustees automated? (MONTH/YEAR)

A. FINAL PAYMENTS.........................|_|_| / |_|_|

B. UNEMPLOYED EXHAUSTEES..................|_|_| / |_|_|

D215A	Frequency	Percent
-2	4	7.5
-1	1	1.9
67	1	1.9
73	1	1.9
74	1	1.9
75	5	9.4
76	1	1.9
77	3	5.7
78	11	20.8
79	2	3.8
80	8	15.1
81	1	1.9
83	3	5.7
85	6	9.4
86	3	5.7
87	1	1.9
88	1	1.9

D215B	Frequency	Percent
-4	7	13.2
-2	7	13.2
0	1	1.9
74	2	3.8
75	3	5.7
76	1	1.9
77	1	1.9
78	2	3.8
79	1	1.9
80	8	15.1
83	2	3.8
85	2	3.8
86	7	13.2
87	5	9.4
88	4	7.5

2.16 INTERVIEWER CHECK ITEM

ARE ANY OF THE ANSWERS TO 2.12 OR 2.14 'AUTOMATED'?

YES..................................(CONTINUE).....1
NO...................................(GO TO 2.20)...2

Q216	Frequency	Percent
1	50	94.3
2	3	5.7

2.17 You have indicated that some of the Handbook line items are produced by an automated process. Are these estimates generated in conjunction with other UI calculations or are they generated by an independent program?

In other words, are the programs that generate the Handbook line items (and counts of final payments) separate from programs for other UI data processing?

PART OF SYSTEM...1
INDEPENDENT PROCESS...................(GO TO 2.20)....2

(IF ANY ARE PRODUCED AS PART OF SYSTEM, CODE AS '1' AND RECORD WHICH HANDBOOK LINE ITEMS ARE INDEPENDENT IN MARGINAL NOTES.)

NOTES:

Q217	Frequency	Percent
-2	3	5.7
-1	1	1.9
1	8	15.1
2	41	77.4

2.18 As I mentioned before, the Handbook line items that we are interested in are potentially useful in developing substate triggers for an extended benefit program. If one or more of the Handbook line items were to be used in a substate trigger it might be necessary to obtain estimates for the measures separate from the LAUS calculations.

What would it entail to separate the production of the Handbook line items (and counts of final payments) from the remainder of the process?

NOTES:

2.19 What would you estimate to be the additional resource needs and/or cost of implementing the separation of the production of the Handbook line items (and counts of final payments) (from the remainder of the process)?

(IF DOLLAR ESTIMATE IS NOT POSSIBLE, PROBE FOR ROUGH ESTIMATES OF STAFF-TIME NEEDED, PROGRAMMING NEEDS, COMPUTER COSTS)

NOTES:

2.20 The LAUS calculations of total unemployment, excluding entrants for LMAs are built up from the Handbook line items. After the values of those Handbook line items have been derived, are the final calculations of total unemployment, excluding entrants generated as part of an automated system or are they computed manually?

MANUAL..............................(GO TO 2.22)....1
AUTOMATED..2

Q220	Frequency	Percent
1	2	3.8
2	51	96.2

2.21 When were the LAUS calculations of total unemployment, excluding entrants automated (MONTH/YEAR)?

|_|_| / |_|_| BEGAN

D221	Frequency	Percent
-2	2	3.8
72	1	1.9
73	1	1.9
74	3	5.7
75	3	5.7
76	1	1.9
78	3	5.7
79	8	15.1
80	10	18.9
81	1	1.9
82	4	7.5
83	6	11.3
84	1	1.9
85	3	5.7
86	5	9.4
87	1	1.9

2.22 Are the values of the Handbook items for LMAs maintained in machine-readable files?

Are the values of total unemployment, excluding entrants for LMAs maintained in machine-readable files?

YESNO

A. STATE UI CONTINUED CLAIMS................1 2
B. STATE UI CONT'D CLAIMS LESS EARNINGS.....1.....2
C. STATE UI INITIAL CLAIMS..................1.....2
D. UNEMPLOYED EXHAUSTEES....................1.....2

E. UNEMPLOYMENT, EXCLUDING ENTRANTS.........1.....2

(IF 'NO' FOR ALL, GO TO 2.24)

Q222A	Frequency	Percent
1	44	83.0
2	9	17.0

Q222B	Frequency	Percent
1	46	86.8
2	7	13.2

Q222C	Frequency	Percent
1	46	86.8
2	7	13.2

Q222D	Frequency	Percent
1	44	83.0
2	9	17.0

Q222E	Frequency	Percent

2.23 How far back do the machine-readable files for LMAs go? (MONTH/YEAR)

A. State UI continued claims?..................|_|_| / |_|_|

B. State UI cont'd claims less earnings?.......|_|_| / |_|_|

C. State UI initial claims?....................|_|_| / |_|_|

D. Unemployed exhaustees?......................|_|_| / |_|_|

E. Unemployment, excluding entrants?...........|_|_| / |_|_|

D223A	Frequency	Percent
-4	1	1.9
-2	8	15.1
-1	1	1.9
70	2	3.8
73	1	1.9
76	2	3.8
77	2	1.9
78	1	1.9
79	2	3.8
80	9	17.0
83	6	11.3
85	7	13.2
86	9	17.0
87	2	3.8

D223B	Frequency	Percent
-2	7	13.2
-1	1	1.9
70	3	5.7
73	1	1.9
76	2	3.8
77	2	3.8
78	1	1.9
79	1	1.9
80	9	17.0
83	6	11.3
85	7	13.2
86	11	20.8
87	2	3.8

D223C	Frequency	Percent
-2	7	13.2
-1	1	1.9
70	3	5.7
73	1	1.9
76	2	3.8
77	2	3.8
78	1	1.9
79	2	3.8
80	9	17.0
83	6	11.3
85	7	13.2
86	10	18.9
87	2	3.8

D223D	Frequency	Percent
-4	1	1.9
-2	8	15.1
-1	1	1.9
70	3	5.7
73	1	1.9
76	2	3.8
77	2	3.8
79	2	3.8
80	9	17.0
83	6	11.3
85	6	11.3
86	10	18.9
87	2	3.8

D223E	Frequency	Percent
-4	4	7.5
-2	9	17.0
70	3	5.7
73	1	1.9
76	2	3.8
77	1	1.9
80	8	15.1
83	5	9.4
85	6	11.3
86	12	22.6
87	2	3.8

2.24 (Prior to that date)/Are there hard-copy historical records of the claims counts and LAUS unemployment estimates available for LMAs? That is, are there hard-copy records for LMAs of:

	YES	NO
A. State UI continued claims?..............	1	2
B. State UI cont'd claims less earnings?....	1.....	2
C. State UI initial claims?................	1.....	2
D. Unemployed exhaustees?..................	1.....	2
E. Unemployment, excluding entrants?........	1.....	2

(IF 'NO' FOR ALL, GO TO 2.26)

Q224A	Frequency	Percent
-1	1	1.9
1	36	67.9
2	16	30.2

Q224B	Frequency	Percent
-1	1	1.9
1	38	71.7
2	14	26.4

Q224C	Frequency	Percent
-1	1	1.9
1	37	69.8
2	15	28.3

Q224D	Frequency	Percent
-1	1	1.9
1	38	71.7
2	14	26.4

Q224E	Frequency	Percent
-1	1	1.9
1	36	67.9
2	16	30.2

2.25 How far back do the hard-copy records for LMAs go? (MONTH/YEAR)

A. State UI continued claims?..................|_|_| / |_|_|

B. State UI cont'd claims less earnings?.......|_|_| / |_|_|

C. State UI initial claims?....................|_|_| / |_|_|

D. Unemployed exhaustees?......................|_|_| / |_|_|

E. Unemployment, excluding entrants?...........|_|_| / |_|_|

D225A	Frequency	Percent
-4	2	3.8
-2	14	26.4
-1	2	3.8
68	1	1.9
70	4	7.5
74	4	7.5
75	4	7.5
76	2	3.8
78	3	5.7
79	4	7.5
80	5	9.4
81	3	5.7
83	1	1.9
84	2	3.8
85	1	1.9
87	1	1.9

D225B	Frequency	Percent
-4	1	1.9
-2	13	24.5
-1	2	3.8
68	1	1.9
70	4	7.5
74	4	7.5
75	4	7.5
76	3	5.7
78	4	7.5
79	5	9.4
80	5	9.4
81	3	5.7
83	1	1.9
84	2	3.8
85	1	1.9

D225C	Frequency	Percent
-4	2	3.8
-2	13	24.5
-1	2	3.8
60	2	3.8
68	1	1.9
70	4	7.5
74	4	7.5
75	4	7.5
76	2	3.8
78	4	7.5
79	2	3.8
80	5	9.4
81	3	5.7
82	1	1.9
83	1	1.9
84	2	3.8
85	1	1.9

D225D	Frequency	Percent
-4	1	1.9
-2	13	24.5
-1	2	3.8
70	4	7.5
74	4	7.5
75	4	7.5
76	3	5.7
77	1	1.9
78	2	3.8
79	4	7.5
80	7	13.2
81	3	5.7
83	1	1.9
84	2	3.8
85	1	1.9
87	1	1.9

D225E	Frequency	Percent
-2	16	30.2
-1	2	3.8
70	4	7.5
74	3	5.7
75	4	7.5
76	2	3.8
78	2	3.8
79	4	7.5
80	7	13.2
81	3	5.7
83	2	3.8
84	2	3.8
85	1	1.9
87	1	1.9

2.26 Currently the LAUS calculations of unemployment are prepared on a monthly basis for the reference week including the 12th of the month.

What are the major steps that would be required in (STATE) to generate the LMA- and county-level estimates of total unemployment on a weekly basis? (CIRCLE ALL THAT APPLY)

A. ESTABLISH WEEKLY COUNTY-LEVEL CLAIMS COUNTS 1
B. DEVELOP NEW COMPUTER PROGRAMS..........................1
C. EXPAND NUMBER OF LAUS PERSONNEL.......................1
D. OTHER...1

NOTES:

Q226A	Frequency	Percent
-5	1	1.9
1	46	86.8
2	6	11.3

Q226B	Frequency	Percent
-5	1	1.9
1	47	88.7
2	5	9.4

Q226C	Frequency	Percent
-5	1	1.9
1	48	90.6
2	4	7.5

Q226D	Frequency	Percent
-5	1	1.9
1	15	28.3
2	37	69.8

2.27 What would you estimate to be the additional resource needs and/or cost of generating the LMA and county-level LAUS estimates of total unemployment on a weekly basis?

(IF A DOLLAR ESTIMATE IS NOT POSSIBLE, PROBE FOR ROUGH ESTIMATE RELATIVE TO COSTS UNDER CURRENT PROGRAM)

NOTES:

2.28 In most states, the LAUS estimates are delivered to BLS five or six weeks after the reference week (WEEK INCLUDING THE 12TH) to which they refer.

In (STATE), how many weeks on average after the reference week are the unemployment estimates available?

|_|_|_| WEEKS

Q228	Frequency	Percent
-1	1	1.9
2.0	1	1.9
3.0	1	1.9
4.0	1	1.9
4.5	1	1.9
5.0	19	35.8
5.5	2	3.8
6.0	26	49.1
7.0	1	1.9

2.29 Which particular components of the LAUS calculations hold up the production of the final estimates?

		YES	NO
A	COVERED EMPLOYMENT	1	2
B	NONCOVERED EMPLOYMENT	1	2
C	CONTINUED CLAIMS	1	2
D	UNEMPLOYED EXHAUSTEES	1	2
E	UNEMPLOYED DISQUALIFIED	1	2
F	DELAYED AND NEVER FILERS	1	2
G	NONCOVERED UNEMPLOYMENT	1	2
H	NEW ENTRANT AND REENTRANT	1	2
I	OTHER	1	2

Q229A	Frequency	Percent
1	36	67.9
2	17	32.1

Q229B	Frequency	Percent
1	22	41.5
2	31	58.5

Q229C	Frequency	Percent
-1	1	1.9
1	27	50.9
2	25	47.2

Q229D	Frequency	Percent
-1	1	1.9
1	11	20.8
2	41	77.4

Q229E	Frequency	Percent
-1	1	1.9
1	9	17.0
2	43	81.1

Q229F	Frequency	Percent
-1	1	1.9
1	11	20.8
2	41	77.4

Q229G	Frequency	Percent
-1	1	1.9
1	11	20.8
2	41	77.4

Q229H	Frequency	Percent
-1	1	1.9
1	12	22.6
2	40	75.5

Q229I	Frequency	Percent
1	4	7.5
2	49	92.5

2.30 What factors cause the delays in preparing those components? (CIRCLE ALL THAT APPLY)

A	LAGS IN CES RESPONSE	1
B	LAGS IN CLAIMANTS FILING	1
C	DELAYS IN RECEIPT OF INTERSTATE CLAIMS	1
D	GETTING COMPUTER TIME TO RUN COMPUTATIONS	1
E	LOW PRIORITY ON COMPUTATIONS WITHIN AGENCY	1
F	LACK OF STAFF	1
G	OTHER	1

NOTES:

Q230A	Frequency	Percent
-2	1	1.9
1	34	64.2
2	18	34.0

Q230B	Frequency	Percent
-2	1	1.9
1	12	22.6
2	40	75.5

Q230C	Frequency	Percent
-2	1	1.9
1	37	69.8
2	15	28.3

Q230D	Frequency	Percent
-2	1	1.9
1	8	15.1
2	44	83.1

Q230E	Frequency	Percent
-2	1	1.9
1	4	7.5
2	48	90.6

Q230F	Frequency	Percent
-2	1	1.9
1	8	15.1
2	44	83.1

Q230G	Frequency	Percent
-2	1	1.9
1	23	43.4
2	29	54.8

2.31 One requirement of a substate trigger is that it be timely. What steps would be required to make the LAUS estimates more timely? Specifically, what would be required to produce the LAUS estimates within 3 weeks after the end of the reference week?

NOTES:

2.32 I would now like to talk more generally about the production of county-level estimates for counties that are in multi-county LMAs. For such counties, does (STATE) ever build-up individual county-level employment and/or unemployment estimates using the Handbook method (as opposed to disaggregating the multi-county totals)? (CIRCLE ALL THAT APPLY)

	YES	NO
A. EMPLOYMENT..............................	1	2
B. UNEMPLOYMENT............................	1	2

(IF 'NO' FOR BOTH, GO TO 2.36)

Q232A	Frequency	Percent
-4	3	5.7
-2	5	9.4
1	1	1.9
2	44	83.0

Q232B	Frequency	Percent
-4	3	5.7
-2	5	9.4
1	3	5.7
2	42	79.2

2.33 For how many counties that are in multi-county LMAs are estimates of (employment and/or unemployment) obtained by building up from the Handbook line items?

A. |_|_|_| COUNTIES--EMPLOYMENT

B. |_|_|_| COUNTIES--UNEMPLOYMENT

Q233A	Frequency	Percent
-4	5	9.4
-2	47	88.7
2	1	1.9

Q233B	Frequency	Percent
-4	3	5.7
-2	47	88.7
1	1	1.9
2	1	1.9
3	1	1.9

2.34 What are the data sources for the Handbook line items for the components of employment in the counties that are part of multi-county LMAs? (CIRCLE ALL THAT APPLY)

A.	STATE-SPONSORED ESTABLISHMENT SAMPLE	1
B.	ES-202 DATA	1
C.	OTHER	1

Q234A	Frequency	Percent
-4	5	9.4
-2	47	88.7
1	1	1.9

Q234B	Frequency	Percent
-4	5	9.4
-2	47	88.7
1	1	1.9

Q234C	Frequency	Percent
-4	5	9.4
-2	47	88.7
2	1	1.9

2.35 What are the data sources for the Handbook line items for the components of unemployment in the counties that are part of multi-county LMAs? (CIRCLE ALL THAT APPLY)

A. CENSUS DATA..1
B. CLAIMS DATA..1
C. OTHER..1

Q235A	Frequency	Percent
-4	3	5.7
-2	47	88.7
2	3	5.7

Q235B	Frequency	Percent
-4	3	5.7
-2	47	88.7
1	3	5.7

Q235C	Frequency	Percent
-4	3	5.7
-2	47	88.7
2	3	5.7

2.36 For the (remaining) counties in multi-county LMAs, which methods are used to disaggregate the multi-county LMA employment and unemployment estimates to the county-level:

		YES	NO
A.	Population-claims method?................	1	2
B.	Census share method (emp/pop index)?.....	1	2
C.	Population share method?.................	1	2
D.	Other?...................................	1	2

Q236A	Frequency	Percent
-4	3	5.7
-2	5	9.4
1	42	79.2
2	3	5.7

Q236B	Frequency	Percent
-4	3	5.7
-2	5	9.4
1	3	5.7
2	42	79.2

Q236C	Frequency	Percent
-4	3	5.7
-2	5	9.4
2	45	84.9

Q236D	Frequency	Percent
-4	3	5.7
-2	5	9.4
2	45	84.9

2.37 For how many counties that are part of multi-county LMAs are (each of) the disaggregation methods used?

A. |_|_|_| POP-CLAIMS

B. |_|_|_| CENSUS SHARE

C. |_|_|_| POP SHARE

D. |_|_|_| OTHER

Q237A	Frequency	Percent
-4	3	5.7
-2	5	9.4
-1	1	1.9
0	3	5.7
1	2	3.8
2	3	5.7
3	2	3.8
5	1	1.9
6	1	1.9
7	1	1.9
8	4	7.5
9	3	5.7
10	1	1.9
11	1	1.9
14	1	1.9
15	1	1.9
16	2	3.8
18	1	1.9
19	2	3.8
21	2	3.8
22	1	1.9
27	2	3.8
28	1	1.9
33	2	3.8
37	1	1.9
39	1	1.9
40	1	1.9
41	1	1.9
58	1	1.9
169	1	1.9
351	1	1.9

Q237B	Frequency	Percent
-4	3	5.7
-2	5	9.4
-1	1	1.9
0	41	77.4
3	1	1.9
9	1	1.9
78	1	1.9

Q237C	Frequency	Percent
-4	3	5.7
-2	5	9.4
-1	1	1.9
0	44	83.0

Q237D	Frequency	Percent
-4	3	5.7
-2	5	9.4
-1	1	1.9
0	44	83.0

2.38 INTERVIEWER CHECK ITEM

IS THE POPULATION-CLAIMS METHOD USED?

YES......................................(CONTINUE).....1
NO.......................................(GO TO 2.41)...2

Q238	Frequency	Percent
-4	3	5.7
-2	5	9.4
1	43	81.1
2	2	3.8

2.39 Which claims counts (REGULAR UI) are used in the population-claims disaggregation procedure at the county-level? Is it:

Continued claims?..1

Continued claims less earnings?.........(GO TO 2.41)...2

Weeks claimed?...3

Weeks compensated?.......................................4

Number of claimants paid?................................5

Q239	Frequency	Percent
-4	3	5.7
-2	7	13.2
2	42	79.2
5	1	1.9

2.40 It is our understanding that continued claims less earnings is the preferred claims count for the disaggregation.

What would it entail for (STATE) to switch to a disaggregation procedure using those data?

NOTES:

2.41 Are the calculations to disaggregate total employment and total unemployment for counties that are part of multi-county LMAs automated?

	MANUAL	AUTOMATED
A. EMPLOYMENT..................................	1	2
B. UNEMPLOYMENT................................	1	2

(IF 'MANUAL' FOR BOTH, GO TO 2.43)

Q241A	Frequency	Percent
-4	3	5.7
-2	5	9.4
1	3	5.7
2	42	79.2

Q241B	Frequency	Percent
-4	3	5.7
-2	5	9.4
1	3	5.7
2	42	79.2

2.42 When were the LAUS calculations to disaggregate county-level total employment and total unemployment automated (MONTH/YEAR)?

|_|_| / |_|_| BEGAN

D242	Frequency	Percent
-4	3	5.7
-2	8	15.1
74	1	1.9
76	1	1.9
78	2	3.8
79	4	7.5
80	11	20.8
81	4	7.5
82	1	1.9
83	6	11.3
85	2	3.8
86	6	11.3
87	3	5.7
88	1	1.9

2.43 Are these county-level estimates of total employment and total unemployment maintained in machine-readable files?

	YES	NO
A. EMPLOYMENT................................	1	2
B. UNEMPLOYMENT..............................	1	2

(IF 'NO' FOR BOTH, GO TO 2.45)

Q243A	Frequency	Percent
-4	2	3.8
-2	5	9.4
1	35	66.0
2	11	20.8

Q243B	Frequency	Percent
-4	2	3.8
-2	5	9.4
1	35	66.0
2	11	20.8

2.44 How far back do the machine-readable files go for county-level total employment and unemployment estimates (MONTH/YEAR)?

A. EMPLOYMENT..............................|_|_| / |_|_|

B. UNEMPLOYMENT............................|_|_| / |_|_|

D244A	Frequency	Percent
-4	1	1.9
-2	16	30.2
73	1	1.9
75	2	3.8
76	1	1.9
80	9	17.0
81	1	1.9
83	6	11.3
85	4	7.5
86	7	13.2
87	4	7.5
88	1	1.9

D244B	Frequency	Percent
-4	1	1.9
-2	16	30.2
73	1	1.9
75	2	3.8
76	1	1.9
80	9	17.0
81	1	1.9
83	6	11.3
85	4	7.5
86	7	13.2
87	4	7.5
88	1	1.9

2.45 (Prior to that date)/Are there hard-copy historical records of county-level employment and unemployment estimates available?

	YES	NO
A. EMPLOYMENT	1	2
B. UNEMPLOYMENT	1	2

(IF 'NO' FOR BOTH, GO TO 2.47)

Q245A	Frequency	Percent
-4	1	1.9
-2	5	9.4
1	38	71.7
2	9	17.0

Q245B	Frequency	Percent
-4	1	1.9
-2	5	9.4
1	38	71.7
2	9	17.0

2.46 How far back do the hard-copy records go for counties on (MONTH/YEAR):

A. Total employment?......................|_|_| / |_|_|

B. Total unemployment?....................|_|_| / |_|_|

D246A	Frequency	Percent
-4	1	1.9
-2	14	26.4
-1	1	1.9
60	1	1.9
67	1	1.9
70	5	9.4
71	1	1.9
73	1	1.9
74	6	11.3
75	5	9.4
76	1	1.9
78	3	5.7
79	1	1.9
80	8	15.1
81	1	1.9
82	1	1.9
83	1	1.9
84	1	1.9

D246B	Frequency	Percent
-4	1	1.9
-2	14	26.4
-1	1	1.9
60	1	1.9
67	1	1.9
70	5	9.4
71	1	1.9
73	1	1.9
74	6	11.3
75	5	9.4
76	1	1.9
78	3	5.7
79	1	1.9
80	8	15.1
81	1	1.9
82	1	1.9
83	1	1.9
84	1	1.9

2.47 INTERVIEWER CHECK ITEM

ARE ANY OF THE ANSWERS TO 2.43 or 2.45 'YES'?

YES....................................(CONTINUE).....1
NO.....................................(GO TO 2.50)...2

Q247	Frequency	Percent
-4	1	1.9
-2	5	9.4
1	46	86.8
2	1	1.9

2.48 As part of the disaggregation of multi-county LMA total employment estimates, a measure of experienced unemployed (TOTAL EMPLOYMENT MINUS ENTRANTS AND REENTRANTS) is obtained.

Do your records for counties that are part of multi-county LMAs include the estimates of the number of experienced unemployed?

	YES	NO
A. MACHINE-READABLE RECORDS.................	1	2
B. HARD-COPY RECORDS........................	1	2

(IF 'NO' FOR BOTH, GO TO 2.50)

Q248A	Frequency	Percent
-4	3	5.7
-2	7	13.2
1	13	24.5
2	30	56.6

Q248B	Frequency	Percent
-4	3	5.7
-2	7	13.2
1	16	30.2
2	27	50.9

2.49 What is the earliest month and year for which the disaggregated employment measures are available on the machine-readable files? On the hard-copy records?

A. MACHINE-READABLE RECORDS...............|_|_| / |_|_|

B. HARD-COPY RECORDS.....................|_|_| / |_|_|

D249A	Frequency	Percent
-4	7	13.2
-2	32	60.4
75	1	1.9
80	5	9.4
81	1	1.9
83	1	1.9
85	4	7.5
87	2	3.8

D249B	Frequency	Percent
-4	6	11.3
-2	32	60.4
-1	2	3.8
73	1	1.9
76	2	3.8
80	6	11.3
82	1	1.9
84	2	3.8
87	1	1.9

2.50 In situations which require special procedures to maintain a consistent series of basic data, a state agency may initiate a formal atypical/exception procedure under LAUS.

Has (STATE) received approval for any exceptions that allow for relatively long-term methodological departure from the LAUS estimating procedures?

(NOTE: WE ARE INTERESTED IN THE MORE LONG-TERM 'EXCEPTIONS,' NOT SHORT-TERM 'ATYPICAL' SITUATIONS.)

YES..1
NO...................................(GO TO 2.52)....2

Q250	Frequency	Percent
1	27	50.9
2	26	49.1

2.51 Could you briefly describe those exceptions to the LAUS methodological procedures?

NOTES:

2.52 Given the methods used to construct the LAUS estimates of employment and unemployment for LMAs and the procedures for disaggregating the multi-county LMA estimates to a county-level basis, would you consider the estimates of total employment and total unemployment by county to be viable measures for a substate program.

That is, in your opinion, would they be a viable basis for a substate trigger, such as a substate total unemployment rate (TUR), to be used in operating a substate extended benefit program?

	YES	NO
A. TOTAL EMPLOYMENT........................	1	2
B. TOTAL UNEMPLOYMENT......................	1	2

NOTES:

Q252A	Frequency	Percent
-4	1	1.9
1	31	58.5
2	21	39.6

Q252B	Frequency	Percent
-4	1	1.9
1	31	58.5
2	21	39.6

2.53 INTERVIEWER CHECK ITEM

IS THIS RESPONDENT DESIGNATED FOR ANY OTHER SECTIONS/QUESTIONS?

YES.........................(GO TO THAT SECTION).....1
NO..........................(CONTINUE)...............2

Q253	Frequency	Percent
1	25	47.2
2	28	52.8

2.54 As my final question, I would like to ask for your professional opinion about the feasibility of a substate area extended benefit program.

What do you think would be the major issues/problems that would arise in implementing and operating such a program within your state?

NOTES:

Thank you very much for your time and help.

B: DATA AVAILABLE FROM UI RECORDS

The next area that I would like to talk with you about is the data available from UI administrative records on claims counts and job counts. I'd like to start by talking about the employment data from the ES-202 reports.

2.55 Under the ES-202 program, firms submit quarterly reports to the state agency with data on monthly employment and wages. For some multi-unit employers that have establishments in more than one county, a single ES-202 report can be filed which combines all of the firm's employment information and reports it as if it were for a single county.

What proportion of employment within (STATE) would you estimate to be represented by such firms? That is, by firms with establishments in more than one county that provide ES-202 data as if all employment were in a single county?

|_|_|_| PERCENT

Q255	Frequency	Percent
-4	1	1.9
-1	11	20.8
0	4	7.5
1	9	17.0
2	4	7.5
3	3	5.7
4	1	1.9
5	3	5.7
6	1	1.9
7	1	1.9
10	3	5.7
12	1	1.9
15	1	1.9
17	4	7.5
18	1	1.9
23	1	1.9
25	2	3.8
28	1	1.9
50	1	1.9

2.56 Does (STATE) have any provisions to encourage such employers to assign the employment to the appropriate counties where that employment actually occurs?

YES...1
NO..................................(GO TO 2.58)...2

Q256	Frequency	Percent
-4	1	1.9
1	42	79.2
2	10	18.9

2.57 What are those provisions?

NOTES:

2.58 Does (STATE) make any adjustments to its LMA and/or county-level employment estimates to compensate for this reporting problem?

YES...1
NO..................................(GO TO 2.60)...2

Q258	Frequency	Percent
-4	1	1.9
-1	1	1.9
1	23	43.4
2	28	52.8

2.59 Would you describe those adjustments?

NOTES:

2.60 The state agency is required to summarize and code the unprocessed ES-202 data, and must provide BLS with county-level information.

What is the typical lag between the end of a quarter and the delivery of the ES-202 data to BLS by (STATE)?

|_|_| WEEKS

Q260	Frequency	Percent
6	1	1.9
19	1	1.9
20	25	47.2
21	7	13.2
22	13	24.5
25	1	1.9
26	2	3.8
33	1	1.9
52	1	1.9
60	1	1.9

2.61 What factors contribute to any delays in the processing of the ES-202 data? (CIRCLE ALL THAT APPLY)

A. NO DELAYS...1
B. LOW PRIORITY IN STATE AGENCY..............................1
C. INADEQUATE DATA PROCESSING FACILITIES.....................1
D. LACK OF FUNDING...1
E. LACK OF STAFF...1
F. FIRMS FAIL TO SUBMIT REPORT ON TIME.......................1
G. OTHER...1

Q261A	Frequency	Percent
1	29	54.7
2	24	45.3

Q261B	Frequency	Percent
1	7	13.2
2	46	86.8

Q261C	Frequency	Percent
1	8	15.1
2	45	84.9

Q261D	Frequency	Percent
1	7	13.2
2	46	86.8

Q261E	Frequency	Percent
1	16	30.2
2	37	69.8

Q261F	Frequency	Percent
1	21	39.6
2	32	60.4

Q261G	Frequency	Percent
1	10	18.9
2	43	81.1

2.62 Are the editing and summarizing of the ES-202 data done manually or does (STATE) have automated procedures for those data processing steps?

	MANUAL	AUTOMATED
A. EDITING....................................	1	2
B. SUMMARIZING..............................	1	2

Q262A	Frequency	Percent
1	6	11.3
2	47	88.7

Q262B	Frequency	Percent
1	2	3.8
2	51	96.2

2.63 Once the data have been supplied to BLS, how soon would the (STATE) use the data? Would it be used immediately or would there be a delay in its use?

A. IMMEDIATE USE........................(GO TO 2.65)....1

B. WEEKS USE DELAYED..........................|_|_| WEEKS

Q263A	Frequency	Percent
1	36	67.9
2	17	32.[illegible]

Q263B	Frequency	Percent
0	36	67.9
1	1	1.9
2	3	5.7
3	2	3.8
4	7	13.2
5	1	1.9
6	3	5.7

2.64 What factors lead to the delay in the use of the ES-202 data? (CIRCLE ALL THAT APPLY)

A. BLS REVIEW..1
B. OTHER...1

Q264A	Frequency	Percent
-2	36	67.9
1	15	28.3
2	2	3.8

Q264B	Frequency	Percent
-2	36	67.9
1	5	9.4
2	12	22.6

2.65 Are the county-level data from the ES-202 reports maintained in machine-readable files?

YES..1
NO.....................................(GO TO 2.67)...2

Q265	Frequency	Percent
1	50	94.3
2	3	5.7

2.66 How far back do the machine-readable files go for the county-level ES-202 data (MONTH/YEAR)?

|_|_| / |_|_| BEGAN

D266	Frequency	Percent
-4	2	3.8
-2	3	5.7
-1	1	1.9
58	1	1.9
69	1	1.9
71	1	1.9
75	6	11.3
76	2	3.8
77	5	9.4
78	5	9.4
79	2	3.8
80	5	9.4
81	2	3.8
82	1	1.9
83	6	11.3
84	4	7.5
85	4	7.5
86	2	3.8

2.67 (Prior to that date)/Are there hard-copy historical records of the county-level ES-202 data available?

YES..1
NO..................................(GO TO 2.69)...2

Q267	Frequency	Percent
-2	1	1.9
1	46	86.8
2	6	11.3

2.68 How far back do the hard-copy records go for the county-level ES-202 data (MONTH/YEAR)?

|_|_| / |_|_| BEGAN

D268	Frequency	Percent
-2	7	13.2
-1	2	3.8
39	5	9.4
40	1	1.9
41	2	3.8
46	1	1.9
48	1	1.9
49	1	1.9
50	1	1.9
52	1	1.9
57	1	1.9
59	1	1.9
60	2	3.8
63	2	3.8
65	1	1.9
66	1	1.9
68	3	5.7
69	2	3.8
70	3	5.7
72	1	1.9
74	1	1.9
75	3	5.7
76	1	1.9
77	1	1.9
78	3	5.7
80	3	5.7
81	1	1.9
83	1	1.9

2.69 I would now like switch topics and talk about weekly claims counts under the UI program. In particular, I am interested in the weekly counts of the number of initial and continued claims filed for regular UI.

While the claims are filed by county of residence, the state is only required to report aggregate state-level totals to ETA. Does (STATE) also prepare weekly claims counts by county of residence?

YES....................................(GO TO 2.73)...1
NO..2

Q269	Frequency	Percent
1	18	34.0
2	35	66.0

2.70 What would it entail to generate weekly claims counts by county of residence?

NOTES:

2.71 What would you estimate to be the additional resource needs and/or cost of generating weekly claims counts by county of residence?

(IF A COST ESTIMATE IS NOT POSSIBLE, PROBE FOR ROUGH ESTIMATES OF STAFF-TIME NEEDED, PROGRAMMING NEEDS, COMPUTER COSTS)

NOTES:

2.72 Does (STATE) prepare weekly claims counts by office of filing?

YES...1
NO...................................(GO TO 2.91)...2

Q272	Frequency	Percent
-2	18	34.0
-1	1	1.9
1	33	62.3
2	1	1.9

2.73 Are the counts of claims obtained by manual counts in the local offices or are the claims counts generated as part of an automated system?

MANUAL..................................(GO TO 2.75)....1
AUTOMATED...2

Q273	Frequency	Percent
-2	1	1.9
1	5	9.4
2	47	88.7

2.74 When were the claims counts automated (MONTH/YEAR)?

|_|_| / |_|_| BEGAN

(IF CLAIM COUNTS ARE AVAILABLE BY COUNTY OF RESIDENCE THEN ASK QUESTIONS 2.75-2.91 ABOUT THOSE COUNTS. OTHERWISE ASK ABOUT LOCAL OFFICE COUNTS)

D274	Frequency	Percent
-2	6	11.3
-1	3	5.7
60	1	1.9
68	1	1.9
69	1	1.9
70	1	1.9
72	3	5.7
75	2	3.8
76	3	5.7
77	2	3.8
78	1	1.9
79	2	3.8
80	5	9.4
82	2	3.8
83	3	5.7
84	2	3.8
85	5	9.4
86	3	5.7
87	4	7.5
88	3	5.7

2.75 Do those weekly (county-/office-) level counts of claims include:

	YES	NO
A. Initial claims under regular UI?.........	1	2
B. Continued claims under regular UI?.......	1	2
C. Final payments under regular UI?.........	1	2

(IN ASKING THIS QUESTION, CLARIFY TERMINOLOGY--IF THESE ARE NOT THE TERMS USED BY THE STATE, DETERMINE THE APPROPRIATE TERMS, NOTE THOSE TERMS ON THE INTERVIEWER HELP SHEET, AND USE THEM FOR THE REMAINDER OF THIS SECTION.)

Q275A	Frequency	Percent
-2	1	1.9
1	50	94.3
2	2	3.8

Q275B	Frequency	Percent
-2	1	1.9
1	51	96.2
2	1	1.9

Q275C	Frequency	Percent
-2	1	1.9
-1	1	1.9
1	36	67.9
2	15	28.3

2.76 INTERVIEWER CHECK ITEM

DOES ANSWERS TO 2.75 INCLUDE CONTINUED CLAIMS?

YES.....................................(CONTINUE).....1
NO......................................(GO TO 2.78)...2

Q276	Frequency	Percent
-2	1	1.9
1	51	96.2
2	1	1.9

2.77 Does the count of continued claims include, in addition to the counts of compensated claims, claims for a week of unemployment that does not result in a pay order. That is, does the measure include counts of claims for a:

		YES	NO
A.	Noncompensated waiting week?.............	1	2
B.	Noncompensated penalty week?.............	1	2
C.	Noncompensated week pending a redetermination or an appeal?...........	1	2
D.	Noncompensated week for other types of certification?............	1	2

Q277A	Frequency	Percent
-4	5	9.4
-2	4	7.5
1	38	71.7
2	6	11.3

Q277B	Frequency	Percent
-4	3	5.7
-2	3	5.7
-1	1	1.9
1	33	62.3
2	13	24.5

Q277C	Frequency	Percent
-2	3	5.7
-1	2	3.8
1	40	75.5
2	8	15.1

Q277D	Frequency	Percent
-4	2	3.8
-2	5	9.4
-1	2	3.8
1	30	56.6
2	14	26.4

2.78 What efforts are made to validate the claims counts?

NONE....................................(GO TO 2.81)....1
WORKLOAD VALIDATION.....................................2
OTHER...3

Q278	Frequency	Percent
-2	1	1.9
1	3	5.7
2	45	84.9
3	4	7.5

2.79 (Does this/Do these) validation procedures apply to all of the (county-/office-) level claims counts that (STATE) generates?

YES.....................................(GO TO 2.81)....1
NO..2

Q279	Frequency	Percent
-2	4	7.5
1	29	54.7
2	20	37.7

2.80 For which claims counts are the procedures applied? Are they applied to:

	YES	NO
A. Initial claims under regular UI?..........	1	2
B. Continued claims under regular UI?........	1	2
C. Final payments under regular UI?..........	1	2

Q280A	Frequency	Percent
-4	1	1.9
-2	29	54.7
1	22	41.5
2	1	1.9

Q280B	Frequency	Percent
-2	29	54.7
1	24	45.3

Q280C	Frequency	Percent
-2	30	56.6
1	3	5.7
2	20	37.7

2.81 INTERVIEWER CHECK ITEM

WHAT IS THE ANSWER TO 2.69?

YES.................................(CONTINUE).....1
NO..................................(GO TO 2.84)...2

Q281	Frequency	Percent
-2	2	3.8
1	17	32.1
2	34	64.2

2.82 At times, some states have had difficulties providing claims counts by county of residence and have been forced to provide some county-level counts that rely on the county in which the claim is filed.

Is (STATE) currently having any problems generating claims counts by county of residence?

YES..1
NO.................................(GO TO 2.84)....2

Q282	Frequency	Percent
-2	36	67.9
1	1	1.9
2	16	30.2

2.83 Would you describe the nature and scope of the current problem?

NOTES:

2.84 How soon after the end of the week for which the claims are counted are the (county-/office-) level counts available?

|_|_| DAYS

Q284	Frequency	Percent
-2	2	3.8
1	10	18.9
2	15	28.3
3	16	30.2
4	1	1.9
5	2	3.8
6	3	5.7
20	1	1.9
21	2	3.8
30	1	1.9

2.85 Do you ever revise the weekly (county-/office-) level claims counts?

YES...1
NO..................................(GO TO 2.87)...2

Q285	Frequency	Percent
-2	1	1.9
1	24	45.3
2	28	52.8

2.86 In a typical month, for what percent of (counties/offices) would you estimate that revisions of more than 10 percent are required for:

A. Initial claims under regular UI?....................|_|_|_|

B. Continued claims under regular UI?..................|_|_|_|

C. Final payments under regular UI?....................|_|_|_|

Q286A	Frequency	Percent
-4	2	3.8
-2	30	56.6
0	18	34.0
1	1	1.9
2	1	1.9
7	1	1.9

Q286B	Frequency	Percent
-4	1	1.9
-2	29	54.7
0	18	34.0
1	1	1.9
2	1	1.9
3	1	1.9
7	1	1.9
50	1	1.9

Q286C	Frequency	Percent
-4	3	5.7
-2	29	54.7
0	18	34.0
1	1	1.9
2	1	1.9
50	1	1.9

2.87 Are the (county-/office-) level claims counts maintained in machine-readable files?

		YES	NO
A.	INITIAL CLAIMS, REG UI..................	1	2
B.	CONT'D CLAIMS, REG UI....................	1	2
C.	FINAL PAYMENT, REG UI....................	1	2

(IF 'NO' FOR ALL, GO TO 2.89)

Q287A	Frequency	Percent
-4	2	3.8
-2	1	1.9
1	41	77.4
2	9	17.0

Q287B	Frequency	Percent
-4	1	1.9
-2	1	1.9
1	42	79.2
2	9	17.0

Q287C	Frequency	Percent
-4	2	3.8
-2	1	1.9
1	40	75.5
2	10	18.9

2.88 How far back do the machine-readable files go? (MONTH/YEAR)?

A. INITIAL CLAIMS, REG UI.................|_|_| / |_|_|

B. CONT'D CLAIMS, REG UI..................|_|_| / |_|_|

C. FINAL PAYMENT, REG UI..................|_|_| / |_|_|

D288A	Frequency	Percent
-4	4	7.5
-2	11	20.8
-1	7	13.2
70	1	1.9
76	1	1.9
78	3	5.7
80	3	5.7
81	1	1.9
82	4	7.5
83	4	7.5
85	3	5.7
86	7	13.2
87	3	5.7
88	1	1.9

D288B	Frequency	Percent
-4	3	5.7
-2	11	20.8
-1	7	13.2
70	1	1.9
76	1	1.9
78	3	5.7
80	3	5.7
82	4	7.5
83	3	5.7
84	2	3.8
85	4	7.5
86	7	13.2
87	2	3.8
88	2	3.8

D288C	Frequency	Percent
-4	3	5.7
-2	12	22.6
-1	7	13.2
70	1	1.9
76	1	1.9
78	4	7.5
80	3	5.7
82	3	5.7
83	5	9.4
84	1	1.9
85	5	9.4
86	5	9.4
87	2	3.8
88	1	1.9

2.89 (Prior to that date)/Are there hard-copy historical records of the (county-/office-) level claims counts?

	YES	NO
A. INITIAL CLAIMS, REG UI..................	1	2
B. CONT'D CLAIMS, REG UI....................	1	2
C. FINAL PAYMENT, REG UI....................	1	2

(IF 'NO' FOR ALL, GO TO 2.91)

Q289A	Frequency	Percent
-4	2	3.8
-2	1	1.9
-1	1	1.9
1	41	77.4
2	8	15.1

Q289B	Frequency	Percent
-4	1	1.9
-2	1	1.9
-1	1	1.9
1	42	79.2
2	8	15.1

Q289C	Frequency	Percent
-4	1	1.9
-2	1	1.9
-1	1	1.9
1	33	62.3
2	17	32.1

2.90 How far back do the hard-copy records go for (MONTH/YEAR):

A. INITIAL CLAIMS, REG UI..................|_|_| / |_|_|

B. CONT'D CLAIMS, REG UI...................|_|_| / |_|_|

C. FINAL PAYMENT, REG UI..................|_|_| / |_|_|

D290A	Frequency	Percent
-4	2	3.8
-2	9	17.0
-1	3	5.7
38	1	1.9
39	2	3.8
41	1	1.9
42	1	1.9
46	1	1.9
50	1	1.9
55	1	1.9
60	2	3.8
68	1	1.9
69	1	1.9
70	3	5.7
75	1	1.9
76	6	11.3
78	5	9.4
79	3	5.7
80	1	1.9
82	1	1.9
84	1	1.9
85	1	1.9
86	3	5.7
87	2	3.8

D290B	Frequency	Percent
-4	1	1.9
-2	9	17.0
-1	3	5.7
38	1	1.9
39	2	3.8
41	1	1.9
42	1	1.9
46	1	1.9
50	1	1.9
55	1	1.9
60	2	3.8
68	1	1.9
69	1	1.9
70	3	5.7
75	1	1.9
76	6	11.3
78	5	9.4
79	3	5.7
80	2	3.8
82	1	1.9
84	1	1.9
85	1	1.9
86	3	5.7
87	2	3.8

D290C	Frequency	Percent
-4	9	17.0
-2	10	18.9
-1	3	5.7
39	2	3.8
41	1	1.9
46	1	1.9
58	1	1.9
63	1	1.9
68	1	1.9
69	1	1.9
70	1	1.9
76	5	9.4
77	1	1.9
78	4	7.5
79	2	3.8
80	2	3.8
82	1	1.9
85	1	1.9
86	3	5.7
87	3	5.7

2.91 One possible trigger for a substate extended benefit program would use weekly county- or LMA-level claims counts. Would you consider such weekly claims counts to be a viable component of a substate trigger?

YES...1
NO..2

(PROBES--) Particular factors that raise concerns?

NOTES:

Q291	Frequency	Percent
-3	1	1.9
-1	1	1.9
1	37	69.8
2	14	26.4

2.92 INTERVIEWER CHECK ITEM

IS THIS RESPONDENT DESIGNATED FOR ANY OTHER SECTIONS/QUESTIONS?

YES...........................(GO TO THAT SECTION)..1
NO............................(CONTINUE)............2

Q292	Frequency	Percent
1	39	73.6
2	14	26.4

2.93 As my final question, I would like to ask for your professional opinion about the feasibility of a substate area extended benefit program.

What do you think would be the major issues/problems that would arise in implementing and operating such a program within your state?

NOTES:

Thank you very much for your time and help.

SECTION 3: DATA NEEDS FOR EVALUATING A SUBSTATE AREA PROGRAM

(QUESTIONS FOR DIRECTOR OF UI RESEARCH AND/OR DATA PROCESSING PERSON)

3.00 Now I would like to talk with you about any historical data series that your agency maintains that might be used in simulating the impact of a substate area program during a past recession.

Does your agency maintain any historical information at the county- or LMA-level for the following, or data which could be used to derive the following:

		YES	NO
A.	Total dollar amount of regular UI payments?	1	2
B.	Average number of weeks of regular UI entitlement?	1	2
C.	Average number of weeks regular UI claimed?	1	2
D.	Average number of weeks regular UI paid?	1	2
E1.	Number of disqualifications under regular UI?	1	2
	(IF 'YES', ASK--)		
E2.	Number by reason for disqualification?	1	2
F.	Average weekly wage of regular UI claimants?	1	2
G.	Initial EB claims, when EB is in effect?	1	2
H.	Final EB payments, when EB is in effect?	1	2
I.	Total dollar amount of all EB payments?	1	2

(IF 'NO' FOR ALL, GO TO 3.05)

Q300A	Frequency	Percent
-4	1	1.9
1	37	69.8
2	15	28.3

Q300B	Frequency	Percent
-4	2	3.8
1	21	39.6
2	30	56.6

Q300C	Frequency	Percent
-4	1	1.9
1	28	52.8
2	24	45.3

Q300D	Frequency	Percent
-4	1	1.9
-1	1	1.9
1	27	50.9
2	24	45.3

Q300E1	Frequency	Percent
-4	1	1.9
1	22	41.5
2	30	56.6

Q300E2	Frequency	Percent
-4	1	1.9
-2	30	56.6
-1	1	1.9
1	15	28.3
2	6	11.3

Q300F	Frequency	Percent
-4	1	1.9
1	16	30.2
2	36	67.9

Q300G	Frequency	Percent
-4	1	1.9
1	25	47.2
2	27	50.9

Q300H	Frequency	Percent
-4	1	1.9
1	23	43.4
2	29	54.7

Q300I	Frequency	Percent
-4	1	1.9
1	30	56.6
2	22	41.5

3.01 What is the smallest geographic unit for which these data are generally available?

COUNTY	1
LMA	2
MSA	3
OTHER	4

Q301	Frequency	Percent
-4	1	1.9
-2	13	24.5
1	35	66.0
2	4	7.5

3.02 What is the time unit for which the data at the (GEOGRAPHIC UNIT)-level are generally available?

WEEKS..1
MONTHS...2
QUARTERS...3
YEARS..4

Q302	Frequency	Percent
-4	2	3.8
-2	13	24.5
1	16	30.2
2	20	37.7
4	2	3.8

3.03 What is the earliest date (MONTH/YEAR) for which the majority of these (GEOGRAPHIC UNIT)-level data are generally available?

|_|_| / |_|_| BEGAN

D303	Frequency	Percent
-4	1	1.9
-2	13	24.5
-1	4	7.5
60	2	3.8
66	1	1.9
69	1	1.9
70	5	9.4
74	2	3.8
75	1	1.9
76	1	1.9
78	4	7.5
80	4	7.5
82	2	3.8
83	2	3.8
85	6	11.3
86	1	1.9
87	3	5.7

3.04 What is the storage format in which these (GEOGRAPHIC UNIT)-level data are generally available?

HARD-COPY (LOCAL OFFICE)	1
HARD-COPY (STATE OFFICE)	2
MACHINE-READABLE	3

Q304	Frequency	Percent
-4	1	1.9
-2	13	24.5
1	1	1.9
2	22	41.5
3	16	30.2

3.05 Does (STATE) maintain any historical information on individual claimants in machine-readable files?

YES	1
NO (GO TO 3.07)	2

Q305	Frequency	Percent
1	42	79.2
2	11	20.8

3.06 What types of information are included in those files? Do they include:

		YES	NO
A	Eligibility status?	1	2
B	Benefit amount?	1	2
C	Weeks of entitlement?	1	2
D	Weeks claimed?	1	2
E	Weeks paid?	1	2
F	Demographic characteristics?	1	2
G	County of residence?	1	2
H	County of work?	1	2
I	Other?	1	2

Q306A	Frequency	Percent
-2	11	20.8
1	38	71.7
2	4	7.5

Q306B	Frequency	Percent
-2	11	20.8
1	40	75.5
2	2	3.8

Q306C	Frequency	Percent
-2	11	20.8
1	38	71.7
2	4	7.5

Q306D	Frequency	Percent
-2	11	20.8
1	36	67.9
2	6	11.3

Q306E	Frequency	Percent
-2	11	20.8
1	38	71.7
2	4	7.5

Q306F	Frequency	Percent
-2	11	20.8
1	41	77.4
2	1	1.9

Q306G	Frequency	Percent
-2	11	20.8
1	36	67.9
2	6	11.3

Q306H	Frequency	Percent
-2	11	20.8
-1	1	1.9
1	12	22.6
2	29	54.7

Q306I	Frequency	Percent
-2	11	20.8
1	14	26.4
2	28	52.8

3.07 INTERVIEWER CHECK ITEM

IS THIS RESPONDENT DESIGNATED FOR ANY OTHER SECTIONS/QUESTIONS?

YES................................(GO TO THAT SECTION)..1
NO.................................(CONTINUE).............2

Q307	Frequency	Percent
1	31	58.5
2	22	41.5

3.08 As my final question, I would like to ask for your professional opinion about the feasibility of a substate area extended benefit program.

What do you think would be the major issues/problems that would arise in implementing and operating such a program within your state?

NOTES:

Thank you very much for your time and help.

SECTION 4: AGENCY STAFFING AND COST

(QUESTIONS WHICH MAY REQUIRE ADVANCE PREPARATION)

The questions in this section concern the ongoing administrative costs of operating your agency's UI data system. Some of the questions may concern costs or cost elements that have been measured in analyses that the state has done. If so, we would like to have both the answer to the question and a copy of the analysis, if that can be made available. On questions for which no analysis has been done, please provide your best estimate of the cost.

For all of the cost questions in this section, we would appreciate any information that you are able to provide, even if it is incomplete. By providing these staffing and cost questions in advance, we hope you will be able to assemble existing information to assist you in answering the questions. It is not our intention that additional effort be invested to derive estimates for those costs that are not generally available.

4.00 Much of the concern about the feasibility of a substate extended benefit program involves the expected cost of producing suitable substate triggers. In order to get a handle on the likely magnitude of those costs, we would like to get some idea of the costs of the existing data collection and data processing for the UI program within the states. We realize that it may be very difficult to disentangle costs for items that are shared across programs, but could you give us a rough estimate of the total monthly cost of the LAUS program?

(PROBES--) In addition to the costs of LAUS, what else does that estimate include? What shared costs? What unrelated costs?

What LAUS costs are excluded from that estimate?

NOTES:

4.01 Could you give us a rough estimate of the total monthly cost of producing the UI weekly claims count statistics required by ETA?

(PROBES--) Does that include any other claims count statistics that you produce in addition to those required by ETA (e.g., weekly county-level counts)?

In addition to the costs of the claims counts, what else does that estimate include? What shared costs? What unrelated costs?
What claims count costs are excluded from that estimate?

NOTES:

4.02 Can you provide a more detailed breakdown of the cost of any of the components of the weekly claims counts (e.g., labor costs)?

YES..1
NO.................................(GO TO 4.05)...2

Q402	Frequency	Percent
-3	1	1.9
-2	1	1.9
-1	1	1.9
1	20	37.7
2	30	56.6

4.03 What are the components of the average monthly cost of the production of the weekly claims counts? Again, we would like <u>any</u> information that you can provide, even if it is incomplete.

To the extent that you are able, please provide separate cost or staffing figures for the following cost elements. For those cost elements for which you have data, indicate whether the figure comes from a formal study or is a professional estimate.

<table>
<tr><th rowspan="2">COST ELEMENT</th><th rowspan="2">COST/MONTH</th><th rowspan="2"></th><th rowspan="2">HOURS/MONTH</th><th colspan="2">Source</th></tr>
<tr><th>STDY</th><th>EST.</th></tr>
<tr><td>PERSONNEL</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>A. DATA ENTRY WORKERS......</td><td>$|_|_|_|,|_|_|_|</td><td>or</td><td>|_|_|_|_|_|</td><td>1</td><td>2</td></tr>
<tr><td>B. DATA PROCESSING/ PROGRAMMERS.......</td><td>$|_|_|_|,|_|_|_|</td><td>or</td><td>|_|_|_|_|_|</td><td>1</td><td>2</td></tr>
<tr><td>C. PROFESSIONAL STAFF.............</td><td>$|_|_|_|,|_|_|_|</td><td>or</td><td>|_|_|_|_|_|</td><td>1</td><td>2</td></tr>
<tr><td>D. OTHER WORKER:__________</td><td>$|_|_|_|,|_|_|_|</td><td>or</td><td>|_|_|_|_|_|</td><td>1</td><td>2</td></tr>
<tr><td>E. OTHER WORKER:__________</td><td>$|_|_|_|,|_|_|_|</td><td>or</td><td>|_|_|_|_|_|</td><td>1</td><td>2</td></tr>
<tr><td>F. FRINGE BENEFITS.........</td><td>$|_|_|_|,|_|_|_|</td><td></td><td></td><td>1</td><td>2</td></tr>
<tr><td>OTHER DIRECT COSTS</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>G. DATA PROCESSING.........</td><td>$|_|_|_|,|_|_|_|</td><td></td><td></td><td>1</td><td>2</td></tr>
<tr><td>H. MAIL/POSTAGE............</td><td>$|_|_|_|,|_|_|_|</td><td></td><td></td><td>1</td><td>2</td></tr>
<tr><td>I. OTHER NON-LABOR:________</td><td>$|_|_|_|,|_|_|_|</td><td></td><td></td><td>1</td><td>2</td></tr>
<tr><td>J. OTHER NON-LABOR:________</td><td>$|_|_|_|,|_|_|_|</td><td></td><td></td><td>1</td><td>2</td></tr>
<tr><td>INDIRECT COSTS</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>K. INDIRECT COST:__________</td><td>$|_|_|_|,|_|_|_|</td><td></td><td></td><td>1</td><td>2</td></tr>
<tr><td>L. INDIRECT COST:__________</td><td>$|_|_|_|,|_|_|_|</td><td></td><td></td><td>1</td><td>2</td></tr>
</table>

*NOTE: For this question only, a "0" response indicates that there was no figure given for a particular item.

```
(Dollars)

Q403A1  Frequency   Percent
----------------------------
    -2         33      62.3
     0         11      20.8
     5          1       1.9
   480          1       1.9
   500          2       3.8
  3759          1       1.9
  4496          1       1.9
135424          1       1.9
360180          1       1.9
902754          1       1.9
```

```
(Hours)

Q403A2  Frequency   Percent
----------------------------
    -2         33      62.3
     0         13      24.5
     1          1       1.9
     8          2       3.8
    80          1       1.9
   320          1       1.9
   550          1       1.9
 34155          1       1.9
```

```
(Source)

Q403A3  Frequency   Percent
----------------------------
    -2         33      62.3
     0         10      18.9
     1          2       3.8
     2          8      15.1
```

```
(Dollars)

Q403B1  Frequency   Percent
----------------------------
    -2         33      62.3
     0          8      15.1
   100          1       1.9
   200          1       1.9
   230          1       1.9
   400          1       1.9
   500          1       1.9
   502          1       1.9
   630          1       1.9
  1500          1       1.9
  1735          1       1.9
  2455          1       1.9
  3096          1       1.9
  5813          1       1.9


(Hours)

Q403B2  Frequency   Percent
----------------------------
    -2         33      62.3
     0         11      20.8
     2          1       1.9
     4          1       1.9
     8          1       1.9
    20          2       3.8
    75          1       1.9
   110          1       1.9
   120          1       1.9
   328          1       1.9


(Source)

Q403B3  Frequency   Percent
----------------------------
    -2         33      62.3
     0          6      11.3
     1          4       7.5
     2         10      18.9
```

```
(Dollars)

Q403C1  Frequency   Percent
---------------------------
   -2          33      62.3
    0           8      15.1
   18           1       1.9
  332           1       1.9
  360           1       1.9
  380           1       1.9
  500           1       1.9
  600           1       1.9
 1312           1       1.9
 2000           1       1.9
 2297           1       1.9
 2600           1       1.9
 4000           1       1.9
11000           1       1.9
```

```
(Hours)

Q403C2  Frequency   Percent
---------------------------
   -2          33      62.3
    0          13      24.5
    8           1       1.9
   20           1       1.9
   32           1       1.9
   40           1       1.9
   43           1       1.9
  120           1       1.9
  330           1       1.9
```

```
(Source)

Q403C3  Frequency   Percent
---------------------------
   -2          33      62.3
    0           7      13.2
    1           3       5.7
    2          10      18.9
```

```
(Dollars)

Q403D1    Frequency    Percent
------------------------------
    -2           33       62.3
     0           15       28.3
   120            1        1.9
   148            1        1.9
  1544            1        1.9
  2000            1        1.9
 55988            1        1.9


(Hours)

Q403D2    Frequency    Percent
------------------------------
    -2           33       62.3
     0           14       26.4
     1            1        1.9
     2            1        1.9
     5            1        1.9
    10            1        1.9
    64            1        1.9
    82            1        1.9


(Source)

Q403D3    Frequency    Percent
------------------------------
    -2           33       62.3
     0           13       24.5
     1            2        3.8
     2            5        9.4

(Dollars)

Q403E1    Frequency    Percent
------------------------------
    -2           33       62.3
     0           18       34.0
    60            1        1.9
 13754            1        1.9
```

```
(Hours)

Q403E2  Frequency   Percent
---------------------------
  -2          33       62.3
   0          19       35.8
   5           1        1.9

(Source)

Q403E3  Frequency   Percent
---------------------------
  -2          33       62.3
   0          18       34.0
   1           1        1.9
   2           1        1.9


(Dollars)

Q403F1  Frequency   Percent
---------------------------
    -2        33       62.3
     0        10       18.9
   273         1        1.9
   700         1        1.9
   812         1        1.9
  1034         1        1.9
  1550         1        1.9
  5500         1        1.9
 18479         1        1.9
 24745         1        1.9
 33000         1        1.9
191357         1        1.9


(Source)

Q403F3  Frequency   Percent
---------------------------
  -2          33       62.3
   0          12       22.6
   1           4        7.5
   2           4        7.5
```

(Dollars)

Q403G1	Frequency	Percent
-2	33	62.3
0	10	18.9
50	1	1.9
268	1	1.9
425	1	1.9
650	1	1.9
1000	1	1.9
1016	1	1.9
2000	1	1.9
2500	1	1.9
4800	1	1.9
6000	1	1.9

(Source)

Q403G3	Frequency	Percent
-2	33	62.3
0	11	20.8
1	4	7.5
2	5	9.4

(Dollars)

Q403H1	Frequency	Percent
-2	33	62.3
0	14	26.4
100	1	1.9
300	1	1.9
467	1	1.9
1000	1	1.9
20000	1	1.9
26250	1	1.9

(Source)

Q403H3	Frequency	Percent
-2	33	62.3
0	15	28.3
1	2	3.8
2	3	5.7

```
(Dollars)
Q403I1    Frequency    Percent
------------------------------
  -2          33         62.3
   0          18         34.0
  50           1          1.9
 200           1          1.9
```

```
(Source)
Q403I3    Frequency    Percent
------------------------------
  -2          33         62.3
   0          18         34.0
   2           2          3.8
```

```
(Dollars)
Q403J1    Frequency    Percent
------------------------------
  -2          33         62.3
   0          20         37.7
```

```
(Source)
Q403J3    Frequency    Percent
------------------------------
  -2          33         62.3
   0          20         37.7
```

```
(Dollars)
Q403K1    Frequency    Percent
------------------------------
    -2        33         62.3
     0        12         22.6
   150         1          1.9
   300         1          1.9
  1000         1          1.9
  1162         1          1.9
  4186         1          1.9
 18233         1          1.9
 43860         1          1.9
787357         1          1.9
```

(Source) Q403K3	Frequency	Percent
-2	33	62.3
0	14	26.4
1	3	5.7
2	3	5.7

(Dollars) Q403L1	Frequency	Percent
-2	33	62.3
0	18	34.0
40	1	1.9
744	1	1.9

(Source) Q403L3	Frequency	Percent
-2	33	62.3
0	18	34.0
2	2	3.8

4.04 INTERVIEWER CHECK ITEM

IS THIS RESPONDENT DESIGNATED FOR ANY OTHER SECTIONS/QUESTIONS?

YES..............................(GO TO THAT SECTION)..1
NO...............................(CONTINUE)............2

Q404	Frequency	Percent
1	5	9.4
2	48	90.6

4.05 As my final question, I would like to ask for your professional opinion about the feasibility of a substate area extended benefit program.

What do you think would be the major issues/problems that would arise in implementing and operating such a program within your state?

NOTES:

Thank you very much for your time and help.

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